

CAUSE NO. 24-0753-C

LA VENTANA RANCH OWNERS	§	IN THE COUNTY COURT
ASSOCIATION, INC.,	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	AT LAW NO. 1
	§	
JAKOB SKELTON AND STEPHANIE	§	
CHANG A/K/A STEPHANIE	§	
SKELTON,	§	
<i>Defendants.</i>	§	HAYS COUNTY, TEXAS

DEFENDANTS' RESPONSE TO PLAINTIFF'S
MOTION FOR SUMMARY JUDGMENT

Defendants STEPHANIE SKELTON (incorrectly sued as Stephanie Chang a/k/a Stephanie Skelton) and JAKOB SKELTON (collectively, “*Defendants*,” or the “*Skeltons*”), file this their Response to Plaintiff LA VENTANA RANCH OWNERS ASSOCIATION, INC.'s (“*Plaintiff*,” “*La Ventana*,” or the “*ROA*”) Motion for Summary Judgment (the “MSJ”), and in support thereof would respectfully show the Court as follows:

I. OVERVIEW

1. This is a lawsuit filed by Plaintiff La Ventana for breach of restrictive covenants set forth in the Third Amended Declaration of Covenants, Conditions and Restrictions for La Ventana (the “*Declaration*”). La Ventana claims that the Skeltons have breached the applicable restrictive covenants by keeping and maintaining ducks on their property. Defendants have asserted numerous defenses and counterclaimed for discrimination.

2. ***La Ventana's Failure to Carry Its MSJ Burden.*** La Ventana has failed to carry its summary judgment burden to demonstrate that it is entitled to summary judgment as a matter of law. In particular, La Ventana has failed to provide summary judgment evidence to prove as a

matter of law all of the essential elements of its breach of contract claim, including (1) that La Ventana performed its obligations under the contract and/or Texas law, or was excused from performance,¹ (2) that the Skeltons breached the restrictive covenants given La Ventana's prior express agreements, and/or (3) that said breach caused any injury or damages to La Ventana as required by clear and established Texas law. La Ventana's motion for summary judgment can and should be denied on this basis alone, without the need for further review as to whether a genuine issue of fact exists.

3. ***Disputed Factual Issues Preclude Summary Judgment.*** Even if the Court assumes that La Ventana has satisfied its summary judgment burden to provide evidence to satisfy the essential elements of its contract claim (it has not), there are disputed factual issues that preclude summary judgment on these elements. In particular, there are disputed factual issues concerning La Ventana's failure to perform its obligations under the contract and its compliance with clear Texas law, the Skeltons' alleged breach, and La Ventana's claimed damages (there are none) that render summary judgment inappropriate here.

II. SUMMARY JUDGMENT EVIDENCE

4. This motion is based on the pleadings in the Court's file and the following summary judgment evidence, which is attached and incorporated as follows:

Exhibit No.	Description	Source/Authentication
1	<i>Third Amended Declaration of Covenants, Conditions and Restrictions for La Ventana</i> (certified) (the " Declaration ")	TRE 902(4); TRCP 193.7
2	<i>Fourth Amended and Restated Bylaws with Code of Conduct</i> (certified) (the " Bylaws ")	TRE 902(4); TRCP 166a(d)

¹ La Ventana has completely failed to provide any evidence whatsoever as to this element of its breach of contract claim.

3	Plaintiff LVROA's Initial Disclosures (“ <i>Plaintiff's Disclosures</i> ”) with documents produced therewith as follows: <ul style="list-style-type: none"> • Exhibit A: Third Amended Declaration of Covenants, Conditions and Restrictions for La Ventana • Exhibit B: Courtesy Notice Letter dated June 20, 2024 • Exhibit C: Letter from Cagle Pugh dated July 1, 2024 • Exhibit D: Letter from Cherissa McConnell, MSW, LCSW dated June 25, 2024 	TRCP 193.7; TRCP 166a(d)
4	<i>Affidavit of Jakob Skelton</i> (with Exhibits 4.1 through 4.18)	
4.1	Emails Regarding Courtesy Notice	TRE 901(b)(1), 902(8); 801(e)(2)
4.2	Emails with ROA regarding Hearing dated July 5, 2024	TRE 901(b)(1), 902(8); 801(e)(2)
4.3	Letter from Cherissa McConnell, MSW, LCSW dated June 25, 2024	TRCP 193.7; TRCP 166a(d); TRE 901(b)(1), 902(8)
4.4	Letter from Cagle Pugh dated July 1, 2024	TRCP 193.7; TRCP 166a(d); TRE 901(b)(1), 902(8); 801(e)(2)
4.5	Stephanie FB Post re Running for ROA	TRE 901(b)(1), 902(8), 803(6)
4.6	Email regarding removal from Cattle Committee	TRE 901(b)(1), 902(8); 801(e)(2)
4.7	Email from ROA to entire community regarding Stephanie	TRE 901(b)(1), 902(8); 801(e)(2)
4.8	Email from ROA to Entire Community posting lawsuit docs onto portal	TRE 901(b)(1), 902(8); 801(e)(2)
4.9	Letter from Cagle Pugh dated September 20, 2024	TRE 901(b)(1), 902(8); 801(e)(2); Plaintiff's Exhibit C
4.10	Letter from Cagle Pugh dated October 11, 2024	TRE 901(b)(1), 902(8); 801(e)(2)
4.11	Text messages with Board President Mike Evans	TRE 901(b)(1), 902(8); 801(e)(2)
4.12	U.S. Army Certificate of Release or Discharge from Active Duty (Jakob Skelton)	TRE 901(b)(1), 902(8), 803(6)
4.13	U.S. Army Certificate of Release or Discharge from Active Duty (Stephanie Skelton)	TRE 901(b)(1), 902(8), 803(6)
4.14	Letter from Department of Veterans Affairs to Stephanie Chang (nka Skelton)	TRE 901(b)(1), 902(8), 803(6)
4.15	Letter from Department of Veterans Affairs to Jakob Skelton	TRE 901(b)(1), 902(8)

4.16	Letter from Department of Veterans Affairs Central Texas Veterans Health Care System regarding Stephanie Skelton	TRE 901(b)(1), 902(8), 803(6)
4.17	Department of Veterans Affairs Disability Ratings for Jakob Skelton	TRE 901(b)(1), 902(8), 803(6)
4.18	Department of Veterans Affairs Disability Ratings for Stephanie Skelton	TRE 901(b)(1), 902(8), 803(6)

5. Notice of Intent to Use Written Discovery Documents: Defendants have previously asserted, and hereby re-assert their notice to all parties to this lawsuit of their intent to use documents produced or to be produced in this matter at any deposition or hearing and at the time of trial pursuant to Texas Rule of Civil Procedure 193.7, including but not limited to the documents referenced or mentioned herein.

6. Notice of Intent to Used Unfiled Discovery as Evidence: Defendants hereby notify all parties to this lawsuit that they intend to use Discovery not otherwise on file in support of this motion pursuant to Texas Rule of Civil Procedure 166a(d). Defendants hereby incorporate by reference all written discovery served and depositions taken in this matter as if fully incorporated and attached herein.

III. FACTUAL BACKGROUND

A. *Undisputed Facts*

7. The Skeltons agree that Third Amended Declaration of Covenants, Conditions and Restrictions for La Ventana (the “***Declaration***”) is a valid and enforceable contract between themselves and La Ventana (**Exhibit 1**, *generally*). Section 3.28 of the Declarations prohibits owners from keeping, maintaining, or caring for “...poultry, fowl...or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words” on Defendants’ property (**Exhibit 1** at Section 3.28). La Ventana is entitled to enforce the Declaration through its board, subject to the terms of the Governing Documents (**Exhibit 1** at Section 10.8(a)).

B. *The Parties*

8. Defendants Jakob and Stephanie Skelton moved to Texas Hill Country in October 2022 (**Exhibit 4** at ¶ 2). They are Owners (as defined in the Declaration) of a home in the La Ventana neighborhood. (**Exhibit 4** at ¶ 2; **Exhibit 1** at Section 1.36, defining “Owner” as “a person or entity...holding a fee simple interest in any Lot or Undeveloped Lot”). They are the parents of two small boys, and both are Army veterans (**Exhibit 4** at ¶ 3). Both completed tours abroad and both have been given 100% disability ratings from the Department of Veterans Affairs (VA) *Id.* Stephanie Skelton and Jakob Skelton both suffer from physical and mental disabilities that affect their activities of daily living (**Exhibit 4** at ¶ 3; **Exhibits 4.12-4.18**).

9. Plaintiff La Ventana is a corporation tasked by the Declaration with administering and enforcing the covenants, restrictions, and obligations of the La Ventana community. At all times relevant to this lawsuit, La Ventana operates under and is bound by the Fourth Amended and Restated Bylaws (the “*Bylaws*”).

C. *The Declaration and Bylaws*

10. The Declaration Controls. The Declaration controls above all other governing documents, stating “[n]either the Articles nor Bylaws shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration; if an inconsistency exists, this Declaration shall control.” (**Exhibit 1** at Section 6.1). The Declaration cannot be amended except by recording an instrument executed and acknowledged by both the President and Secretary of the La Ventana Board setting forth the amendment and certifying that such amendment was approved by the Owners entitled to cast at least 80% of the number of votes under the Bylaws (**Exhibit 2** at 10.3(b)).

11. The Skeltons are Entitled to Enforce the Declaration. The Declaration empowers

the Skeltons, as Owners, with the “right to enforce all of the provisions of this Declaration” which right includes “both damages for, and injunctive relief against, the breach or threatened breach” of any provision of the Declaration. (**Exhibit 1** at Section 10.8(a)).

12. Notices by Certified Mail. The Declaration requires that “[a]ny notice...shall be in writing and may be delivered either personally or by mail...[and] [i]f delivery is made by mail, it shall be...deposited in the United States mail, postage prepaid, certified mail, return receipt requested”).

13. Limitation on Fines. The Declaration authorizes La Ventana to impose a “‘special charge’ not to exceed One Hundred Dollars (\$100.00) per violation, to the extent permitted by applicable law” for a violation of the restrictive covenants set forth in the Declarations. (**Exhibit 1** at 3.4(a)).

14. Authority Subject to Bylaws. La Ventana’s power and authority to act under the Declaration are “[s]ubject to such limitation and restrictions as are set forth in th[e] Declaration, the Articles and Bylaws” (**Exhibit 1** at Section 6.2).

15. Meeting and Notice Required. The Bylaws prohibit the La Ventana Board from considering or voting on fines, the initiation of any enforcement action, or a suspension of a right “unless done in an open meeting for which prior notice was given to the Members pursuant to Section 5.8.” (**Exhibit 2** at Section 5.9). Such meeting must provide the Member with “an opportunity to attend a Board meeting to present the Member’s position, including any defense, on the issue...”. *Id.* Although La Ventana “may adjourn a meeting and reconvene in closed executive session to consider actions involving:...pending or threatened litigation...[or] enforcement actions,” the decisions made in such executive session “must be summarized orally in general terms and placed in the written minutes within seven (7) days.” (**Exhibit 2** at Section

5.5).

16. Code of Conduct. The Bylaws require the La Ventana Board to “abide by the La Ventana Ranch Owners’ Association Code of Conduct Policy” (the “*Code of Conduct*”) (**Exhibit 2** at Section 4.1(b)). The Code of Conduct is attached as Attachment A to the Bylaws. *Id.* at Attachment A. The Code of Conduct provides that “each Governing Person [of the board] shall avoid any conduct that can reasonably be deemed to constitute...discrimination based upon a person’s...medical condition,...physical or mental disability...or other status as a member of a protected class under applicable federal and/or state law” (**Exhibit 2**, Attachment A at Para. 3). The Code of Conduct also requires La Ventana to “respect the privacy of the membership” and to adhere to basic rules of conduct “in order to protect the Association’s reputation and individual Association’s representatives’ or members’ reputations, to disseminate accurate information and to foster community by moderating the tone and civility of the interactions on Social Media regarding any issue affecting or purporting to be an official position of the Association.” (**Exhibit 2**, Attachment A at Paragraph 12). Specifically, “[o]fficial communications from the Association...shall not include...[p]ersonal attacks of any kind; [c]omments that promote or constitute discrimination;...[i]dentifiable personal medical or financial information that is to be maintained as confidential; [m]alicious or false statements damaging to a person’s reputation; or [i]nformation that may compromise the safety, security, or proceedings of any legal action pertaining to the Association.” (**Exhibit 2**, Attachment A at Paragraph 12).

D. Fowl Play: The Deterioration of the Parties’ Relationship

17. Stephanie Skelton’s therapist recommended that she raise and maintain ducks to aid in managing her medical conditions. (**Exhibit 4** at ¶ 4). In the spring of 2023, Jakob Skelton had a conversation with Michael C. Evans, the ROA’s Board President, to inquire about whether

his family could acquire ducks. (**Exhibit 4** at ¶ 5). Jakob and Mr. Evans discussed that another family in the neighborhood had kept ducks and that the ROA was aware of this fact. *Id.* Mr. Evans gave the Skeltons permission to get ducks but suggested that they get a letter from Stephanie’s therapist in case a neighbor complained. *Id.*

18. The Skeltons acquired ducks shortly after that conversation. (**Exhibit 4** at ¶ 6). For over a year, they enjoyed their ducks with no complaints or issues, even participating in their community farmer’s markets to sell the eggs their ducks produced. *Id.* In fact, several of the ROA’s board and cattle committee members regularly enjoyed and even requested duck eggs from the Skeltons. (**Exhibit 4.11**; *see also id.*).

19. On June 20, 2024, La Ventana’s former property management company, Goodwin & Co, sent a “courtesy notice” via regular mail (not certified) claiming that due to a complaint from the Skeltons’ neighbor, they could only have six (6) ducks. (**Exhibit 3** at attached Exhibit B). Mr. Gaines again stated on June 21, 2024 in an email with Jakob Skelton that “Six [ducks] is the HOA limit” and that “we cannot cite ducks that we do not see outside” and suggesting that the Skeltons keep their ducks indoors “where they are not visible.” (**Exhibit 4** at ¶ 7; **Exhibit 4.1**). That week, the Skeltons requested from the ROA a reasonable accommodation to keep their ducks. (**Exhibit 4** at ¶ 7; **Exhibit 4.4**, *Letter from A. Pugh dated July 1, 2024*, referencing the Skeltons’ June 24, 2024 request for a reasonable accommodation). On July 1, 2024, La Ventana, through its attorney, requested “additional information regarding your non-observable disability and whether the ducks provide therapeutic emotional support with respect to your specific disability” and asserted that “[t]he Association does not have sufficient information to show you have a disability, or that ducks are an appropriate treatment for the same, at this time.” (**Exhibit**

4 at ¶ 7; **Exhibit 4.4**; *see also* **Exhibit 3** at attached Exhibit C). The letter further incorrectly asserted that the Skeltons had twenty (20) ducks.² (*Id.*; *see also* **Exhibit 4** at ¶ 7).

20. In response, on July 5, 2024 the Skeltons sent the ROA a letter from Stephanie’s therapist verifying the use of the ducks for her PTSD symptoms. (**Exhibit 4** at ¶ 8; **Exhibit 4.2**; **Exhibit 4.3**; *see also* **Exhibit 3** at attached Exhibit D). On July 6, 2024, the Skeltons attended a meeting with the La Ventana board, at which board members accused the Skeltons of using their veteran status as an “excuse” to have ducks (**Exhibit 4** at ¶ 8). Without further communication or notice, and without providing notice or holding an open meeting to obtain approval, on August 22, 2024³ La Ventana filed this lawsuit, attaching to it as a public document a letter from Stephanie’s therapist containing her private healthcare information. (**Exhibit 4** at ¶ 8).

21. Since the filing of this lawsuit, La Ventana has ostracized, attacked, and attempted to publicly humiliate the Skeltons for their disability and their ducks. (**Exhibit 4** at ¶ 9). In October 2024, when Stephanie decided to run for a position on the La Ventana board, La Ventana kicked Jakob Skelton off the cattle committee. (**Exhibit 4** at ¶ 9; **Exhibits 4.5, 4.6**). In addition, the Board sent two separate emails to the entire La Ventana community accusing the Skeltons of “willfully violat[ing] our rules” and “refus[ing] to comply, [and] offer[ing] various legal excuses as to why they should be able to maintain fowl on their property” (**Exhibits 4.7 and 4.8**). Unsurprisingly, Stephanie was not elected to the board. (**Exhibit 4** at ¶ 9). Despite that other lawsuits have been filed by La Ventana against other residents, none of those legal documents have been posted to the community’s portal. (**Exhibit 4** at ¶ 10).

² Similarly, Plaintiff’s Motion for Summary Judgment now asserts—incorrectly and entirely without any evidence—that the Skeltons have “approximately seventeen (17) fowl on the Property.” See Plaintiff’s MSJ at p. 2.

³ Defendants request the Court take judicial notice of the date of filing of Plaintiff’s Original Petition and Application for Temporary and Permanent Injunction on August 22, 2024.

22. *After* it sued the Skeltons over these ducks, the ROA’s attorney sent the Skeltons a letter on September 20, 2024, purporting to offer a “reasonable” accommodation that they could keep two (not six) ducks but they had to be “housed inside the main dwelling on the property” and could be outside the house only “up to two (2) times a day for a maximum amount of time not to exceed two (2) hours outside the main dwelling on the property.” (**Exhibit 4** at ¶ 11; **Exhibit 4.9**). La Ventana’s attorney again sent a similar letter on October 11, 2024 with the same proposed accommodation. (**Exhibit 4** at ¶ 11; **Exhibit 4.10**). This would be cruel to the animals, because ducks require a community and outdoor life. (**Exhibit 4** at ¶ 11).

23. A once-supportive neighborhood has turned against this veteran family, causing them to lose friendships and face constant harassment. (**Exhibit 4** at ¶ 12). Neighbors trespass and photograph their property, and rumors are being spread about them. *Id.* They have had to install security measures in their home, as they no longer feel safe, and have recently felt they had no option but to put their home up for sale, uproot their children, and move. *Id.* The Skeltons notified the ROA that they had placed their home for sale and again requested that the ROA accommodate their ducks until the sale of their home, but again the ROA refused. *Id.* The Skeltons have incurred attorney’s fees they cannot afford to defend this lawsuit, and have experienced exacerbated symptoms of their conditions as a result. (**Exhibit 4** at ¶ 12-13).

24. The Skeltons are not aware of, and have received no notice of an open meeting to consider or vote on the initiation of an enforcement action as required by the Bylaws (Section 5.9) and Tex. Prop. Code 209.006 and 209.0051. (**Exhibit 4** at ¶ 14). The Skeltons are not aware of, and have received no notice by certified mail of any decision to file suit against them as required by Tex. Prop. Code 209.006. *Id.*

IV. ARGUMENTS AND AUTHORITIES

A. Legal Standards for Summary Judgment

25. To prevail on a traditional summary-judgment motion, the movant must show that no genuine issue of material fact exists and that it is entitled to judgment as a matter of law. Tex. R. Civ. P. 166a(c); *Nixon v. Mr. Prop. Mgmt. Co.*, 690 S.W.2d 546, 548 (Tex. 1985). The nonmovant is not required to present any summary judgment evidence unless and until the movant establishes that it is entitled to summary judgment as a matter of law. *Centeq Realty, Inc. v. Siegler*, 899 S.W.2d 195, 197 (Tex. 1995); *Casso v. Brana*, 776 S.W.2d 551, 556 (Tex. 1989).

26. If the movant meets its burden, the burden shifts to the non-movant to raise a genuine issue of material fact precluding summary judgment. *See Id*; *M.D. Anderson Hosp. & Tumor Inst. v. Willrich*, 28 S.W.3d 22, 23 (Tex. 2000). The evidence raises a genuine issue of fact if reasonable and fair-minded jurors could differ in their conclusions in light of all the summary judgment evidence. *Goodyear Tire & Rubber Co. v. Mayes*, 236 S.W.3d 754, 755 (Tex. 2007). A non-movant may also defeat summary judgment by asserting an affirmative defense in its response and providing sufficient summary judgment evidence to create a fact issue on each element of that defense. *Via Net v. TIG Ins.*, 211 S.W.3d 310, 313 (Tex. 2006).

27. When reviewing a motion for summary judgment, the court takes the non-movant's evidence as true, indulges every reasonable inference in favor of the non-movant, and resolves all doubts in favor of the non-movant." *Little v. Tex. Dep't of Crim. Justice*, 148 S.W.3d 374, 381 (Tex. 2004); *W. Investments, Inc. v. Urena*, 162 S.W.3d 547, 550 (Tex. 2005).

B. Rules Relating to Fines and Enforcement of Restrictive Covenants

28. Governing Documents: Pursuant to the Declaration, the Bylaws, and Texas Law, La Ventana may not:

- a. consider or vote on fines without conducting an open meeting for which prior notice was given to the Members (Tex. Prop. Code 209.006 and 209.0051;

Exhibit 2, Bylaws at Section 5.9);

- b. impose a fine without notice via certified mail to the homeowner (Tex. Prop. Code 209.006; **Exhibit 1**, Declaration at Section 10.4);
- c. consider or vote on the initiation of an enforcement action without conducting an open meeting for which prior notice was given to the Members (Tex. Prop. Code 209.006 and 209.0051; **Exhibit 2**, Bylaws at Section 5.9); or
- d. file suit against an owner without written notice to the owner by certified mail (Tex. Prop. Code 209.006).

29. Texas Fair Housing Act: Texas enacted its Fair Housing Act to provide rights and remedies substantially equivalent to those granted under federal law. Tex. Prop. Code § 301.002; see also *Keenan v. River Oaks Prop. Owners*, No. 01-20-00493-CV, 2022 Tex. App. LEXIS 1800, at *41 (Tex. App. Mar. 17, 2022, pet den'd). Under the Texas Fair Housing Act, a restrictive covenant cannot be enforced if a reasonable accommodation is necessary to afford a person equal opportunity to use and enjoy a dwelling. Tex. Prop. Code § 301.021. The Texas Fair Housing Act applies to homeowners associations. See, e.g., *Keenan*, No. 01-20-00493-CV at *48-49 (holding that statute was designed to prohibit discrimination through restrictive covenants). Refusal to make such a reasonable accommodation, including enforcement of a restrictive covenant, is a violation of Texas law. *Id.* at *49.

30. Waiver: When a party intentionally relinquishes a known right or engages in intentional conduct inconsistent with claiming that right, including rights arising from a contract, the party has waived said right. See, e.g., *Tenneco Inc. v. Enterprise prods. Co.*, 925 S.W.2d 640, 643 (Tex. 1996). Moreover, silence or inaction for a period sufficient to show an intention to yield the right is sufficient to prove waiver. *Id.* Texas courts have applied the rule of waiver to the enforcement of restrictive covenants. See, e.g., *EIS Dev. II, LLC v. Buena Vista Area Ass'n*, 690 S.W.3d 369, 389 (Tex. App.—El Paso, 2023).

31. Statutory Damages not Recoverable: Plaintiff seeks statutory damages under

Texas Property Code Sec. 202.004. Texas law is firmly established that such damages are punitive damages rather than compensatory because they are unrelated to the type or extent of injury or harm. *KBG Invs., LLC v. Greenspoint Prop. Owners' Ass'n*, 478 S.W.3d 111, 116 (Tex. App.—Houston [14th Dist.], 2015). Such damages “are unavailable where the claimant sustains no other damages.” *Id.* at 123.

32. Limitation on Attorney's Fees: Plaintiff also seeks to recover its attorney's fees pursuant to Texas Property Code 5.006. However, such fees are recoverable only “only if the owner is provided a written notice that attorney's fees and costs will be charged to the owner if the delinquency or violation continues after a date certain” and may not be assessed if incurred “before the conclusion of the hearing under Section 209.007.”

C. Plaintiff's Motion Fails for Failure to Establish Each Element of a Breach of Contract Claim

33. The elements of a claim for breach of contract are (1) a valid and enforceable contract exists, (2) the Plaintiff performed or was excused from performance, (3) the Defendant breached the contract, and (4) the Defendant's breach caused Plaintiff injury. *Valero Mktg. & Sup. Co. v. Kalama Int'l*, 51 S.W.3d 345, 351 (Tex. App.—Houston [1st Dist.] 2001, no pet.). Here, there is no dispute that the Declaration and Bylaws constitute valid and enforceable agreements between the HOA and its residents, including Defendants.

34. Plaintiff Did not Meet Its Burden on the Element of Performance: Plaintiff has made no effort to argue or present any evidence that it performed under the terms of the Declaration. The only section relating to this element in Plaintiff's MSJ consists of only two sentences stating that the Declaration provides La Ventana with the power and authority to enforce the restrictive covenants by action at law or equity. Plaintiff has presented not one single fact to support that it provided notice, held the required open meetings, voted, or made any other

effort to comply with the requirements of the Declaration, the Bylaws, or Texas statutory law by providing the Skeltons with the required notices by certified mail, by providing notice of or holding any meeting to vote to initiate an enforcement action, or providing any notice of an intent to seek attorney's fees pursuant to Tex. Prop. Code 209.006. It is Plaintiff's burden to show that no genuine issue of material fact exists and that it is entitled to judgment as a matter of law, and Plaintiff has failed its burden as to the second element of its cause of action. On this basis alone, Plaintiff's motion must be denied.

35. Plaintiff Did not Meet Its Burden on the Element of Breach: Moreover, Plaintiff has presented no evidence that the Skeltons breached the contract. To the contrary, La Ventana and its property management company, acting as its agents, allowed not only the Skeltons but also other residents to maintain ducks on their property. Moreover, they repeatedly waived any such prohibition when their board president gave the Skeltons permission to have ducks, and by explicitly communicating to Plaintiffs that La Ventana permitted them to have six ducks. Further, Plaintiffs have offered zero evidence that the Skeltons have maintained more than six (6) ducks on their property.

36. Plaintiff Did not Meet Its Burden on the Element of Damages: Finally, Plaintiff has made no argument nor presented any evidence that the presence of ducks has caused any harm whatsoever. Absent such evidence, under clear Texas law, statutory damages are not recoverable as a matter of clear Texas law. *KBG Invs., LLC v. Greenspoint Prop. Owners' Ass'n*, 478 S.W.3d 111, 123 (Tex. App.—Houston [14th Dist.], 2015).

D. There is a Genuine Issue of Material Fact Precluding Summary Judgment

37. Even assuming that Plaintiff has carried its burden of proof for summary judgment, which it has not, there is clearly a genuine issue of fact both on the elements of

Plaintiff's breach of contract claim as well as on Defendant's affirmative defenses.

38. Plaintiff's Performance: First, there is a fact issue as to whether Plaintiff has complied with the requirements of the Declaration. Defendants have presented evidence in this motion that they received and are aware of no open meeting or notice of meeting to consider or vote on the imposition of any fine to them as required by the Bylaws (Section 5.9) and as required by Texas Property Code 209.006 and 209.0051. They received only a "Courtesy Notice" by regular U.S. mail, not by certified mail as required by the Declaration (Section 10.4) and Tex. Prop. Code 209.006. They are aware of and received no notice of the required open meeting to consider or vote on the initiation of an enforcement action as required by the Bylaws (Section 5.9) and Tex. Prop. Code 209.006 and 209.0051. Finally, they are aware of and received no notice by certified mail of any decision to file suit against them as required by Tex. Prop. Code 209.006.

39. Breach: Second, there is a fact issue as to whether the Skeltons breached the Declaration and/or whether La Ventana consented to the ducks and/or waived the restrictive covenant. Defendants have presented evidence that La Ventana's Board President, Mike Evans, explicitly authorized them to get ducks, and that La Ventana's property management company, acting on its behalf, expressly waived any prohibition by twice telling them they could have six ducks.

40. Discrimination: Further, there is a genuine fact issue as to whether the restrictive covenant is enforceable against the Skeltons or whether they are entitled to a reasonable accommodation under the Texas Fair Housing Act. The Skeltons are members of a protected class under the Texas Fair Housing Act because both are disabled veterans suffering from physical and mental/emotional disabilities. The Skeltons need to maintain the ducks as emotional support animals to maintain, manage and support their disabilities. The Skeltons requested a

reasonable accommodation as admitted by Plaintiff in the letter sent by their attorney. La Ventana denied and refused that request in its July 1, 2024 and when it filed suit. Exhibit 4.4; *see also Walls v. Capella Park Homeowners' Ass'n*, No. 05-16-00783-CV, 2017 Tex. App. LEXIS 111193, at 11 (Tex. App. Nov. 30, 2017) (holding that filing suit to enforce a restrictive covenant constituted a refusal to make reasonable accommodations). No attempt was made to extend a reasonable accommodation until *after* La Ventana sued (in violation of the Declaration, the Bylaws, and Texas law). And there is certainly a fact issue as to whether the accommodation offered—that the Skeltons could keep two (2) ducks only if they stayed indoors—was even remotely reasonable.

V. CONCLUSION

41. Plaintiff La Ventana has failed to meet its burden of proof to show that it is entitled to judgment on its claim for breach of the restrictive covenants because it has presented no evidence to show that it performed under the Declaration or Bylaws, has not shown that Defendants breached the Declaration, and has not shown any actual damages necessary at law to sustain its claim for statutory fines. Moreover, Defendants have presented evidence to show that, at the very least, there is a genuine issue of fact as to these elements. Specifically, Defendants have shown that Plaintiff failed and refused to perform the parties' agreement by demanding charges for violations that exceed the Declaration, brought this lawsuit without complying with the governing documents and applicable law, asserted claims for the recovery of attorney's fees in violation of the governing documents and applicable law, removed Jakob Skelton from the cattle committee in violation of the Bylaws, and discriminated against and harassed the Skeltons in violation of the Bylaws.

VI. PRAYER

WHEREFORE, PREMISES CONSIDERED, Defendants pray the Court DENY Plaintiff's motion for summary judgment for the reasons set forth, and for such other and further relief, at law or in equity, to which Defendants may show themselves justly entitled.

Respectfully submitted,

DUBOIS, BRYANT & CAMPBELL, LLP
303 Colorado Street, Suite 2300
Austin, Texas 78701
Telephone: (512) 457-8000
Telecopier: (512) 457-8008

By: /s/ Melissa Carr
Melissa Carr
State Bar No. 24065008
mcarr@dbcllp.com

**ATTORNEYS FOR DEFENDANTS
JAKOB SKELTON AND STEPHANIE
SKELTON**

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing document has been served on the following by fax or electronic service on this 14th day of April 2025:

Adam Pugh
CAGLE PUGH
4301 Westbank Dr., Suite A150
Austin, Texas 78746
adam.pugh@caglepugh.com

**ATTORNEYS FOR PLAINTIFF
LA VENTANA RANCH OWNERS
ASSOCIATION, INC.**

/s/ Melissa Carr
Melissa Carr

EXHIBIT 1

**THIRD AMENDED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
LA VENTANA**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HAYS §

THAT WHEREAS, LA VENTANA DRIFTWOOD, L.P., a Texas limited partnership, (the "Declarant"), is the owner of certain real property located in Hays County, Texas (the "Property"), as defined in Article I, Section 1.44 below, which Declarant proposes to develop and subdivide for residential purposes;

WHEREAS, that certain Second Amended Declaration of Covenants, Conditions and Restrictions For La Ventana dated April 11, 2000 was recorded as Document Number 00007993 with the Official Public Records of Hays County, Texas at Volume 1653, Pages 282 - 341B. Pursuant to Section 10.3 of the Second Amended Declaration, Declarant hereby amends the Original Declaration, as amended from time to time, to incorporate revisions deemed necessary or desirable for the Subdivision.

WHEREAS, that certain Supplemental Declaration to the Declaration of Covenants, Conditions and Restrictions for La Ventana dated January 8, 2001 was recorded as Document Number 01000670 with the Official Public Records of Hays County, Texas at Volume 1757, Pages 800-802, which added La Ventana West, as defined therein, to the Subdivision and imposed all of the terms and provisions of the Declaration to La Ventana West;

WHEREAS, the purpose of this Declaration is to preserve so far as possible the natural beauty of the Property; to avoid harsh contrasts between structures and landscape; to protect against the erection of poorly designed or disproportional structures or use of unsuitable materials; to encourage and secure the erection of attractive improvements which are harmonious with their sites; and in general, to enhance the environmental quality and economic value of the Property; and

WHEREAS, La Ventana Ranch Owners Association, Inc., has been incorporated under the laws of the State of Texas as a nonprofit corporation, and has been granted powers of administering and enforcing said covenants, restrictions, charges, and liens and disbursing the assessments and charges created in this Declaration; and

WHEREAS, Declarant desires to convey the Property subject to certain protective covenants, conditions, restrictions, lines, and charges set forth below; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the improvement, development and sale of the Property for the benefit of the present and future Owners of the Property, and in connection therewith, Declarant hereby adopts and establishes the following declarations, reservations, restrictions, covenants, conditions, liens, charges and easements to apply uniformly to the use, improvement, occupancy and conveyance of all of the Property, including the roads, avenues, streets, alleys and waterways therein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That it is hereby declared (i) that all of the Property shall be held, sold, conveyed and occupied subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the Property and shall be binding on all parties having any right, title, or interest in or to the property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof; and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion, thereof shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, and restrictions regardless of whether or not the same are set out or referred to in said contract or deed.

ARTICLE I DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified:

1.1 Architectural Committee. "Architectural Committee" (hereinafter sometimes called "Committee") shall mean the committee created pursuant to this Declaration to review and approve Plans and Specifications for the construction of Improvements upon the Property and having the authority and responsibility delegated thereto by this Declaration.

1.2 Architectural Committee Rules. "Architectural Committee Rules" shall mean the rules and regulations adopted by the Architectural Committee, as the same may be amended from time to time.

1.3 Articles. "Articles" shall mean the Articles of Incorporation of La Ventana Ranch Owners Association, Inc., which have been filed in the office of the Secretary of State of the State of Texas, and as amended from time to time.

1.4 Assessments(s). "Assessments(s)" shall mean assessment(s) levied by the Association and includes both regular and special assessment(s) as provided under the terms and provisions of this Declaration.

1.5 Association. "Association" shall mean La Ventana Ranch Owners Association, Inc., (sometimes referred to as "ROA"), as created and empowered under and in accordance with this Declaration.

1.6 Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by or leased to the Association.

1.7 Beneficiary. "Beneficiary" shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust.

1.8 Board. "Board" shall mean the Board of Directors of the Association.

1.9 Builder. "Builder" shall mean any professional homebuilder engaged in the business of constructing new homes for sale in the Subdivision. A Builder is also an Owner as defined herein.

1.10 Building. "Building" shall mean a structure, including a residence, having a roof supported by columns or walls.

1.11 Bylaws. "Bylaws" shall mean the Bylaws of the Association which may be adopted by the Board, as the Bylaws may from time to time be amended, and which is attached hereto as Exhibit "C".

1.12 Commercial Lot 1. "Commercial Lot 1" shall mean that parcel of land within the Subdivision designated on the Plat as Lot "C-1", comprising approximately 16.0 acres.

1.13 Common Area. "Common Area" (also known as "Greenbelt") shall mean (a) all portions of the Subdivision designated as common area on the Plat, (b) any and all sites, tracts or parcels of land within the Property (including Ponds and the Corral) designated by Declarant as common areas and conveyed to the Association for the common benefit of the Owners, (c) the Private Roads and dedicated rights of way, (d) any drainage facilities (such as culverts), which require maintenance, repair or management by the Owners or the Association, and (e) all Improvements, equipment, and other facilities located on any of the above described properties which are owned, operated, maintained, and/or repaired by the Association.

1.14 Compost Area. "Compost Area" shall mean that specific area designated by Declarant in the Subdivision as the Compost Area.

1.15 Corral. "Corral" shall mean that specified portion of the Common Area surrounded by Lots E1, E2, E3, E4, E5, E6, E7, E8, E9, E10, E11 and E12, which is fenced and owned by the Association for the common use and enjoyment of the Owners and is subject to the rules and regulations which apply to the use and enjoyment of the Corral.

1.16 Creek Bed. "Creek Bed" shall mean any portion of the Property where water would collect and flow in times of rainfall.

1.17 Declarant. "Declarant" shall mean La Ventana Driftwood, L.P. a Texas Limited Partnership, its parent, subsidiaries and affiliates, and their duly authorized representatives, or their respective successors, or assigns; provided, however, that any assignment of the rights of La Ventana Driftwood, L.P., a Texas Limited Partnership, by Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

1.18 Declaration. "Declaration" shall mean this instrument, as the instrument may from time to time be amended or supplemented.

1.19 Development. "Development" shall mean any construction undertaken by Declarant in the Subdivision.

1.20 Equestrian Activity. "Equestrian Activity" shall mean activity of any kind involving horses, including but not limited to riding, training, boarding, feeding, cleaning, caring for, jumping, breaking, stabling, grazing, roping, etc.

1.21 Equestrian Lot(s). "Equestrian Lot(s)" shall mean Lots E1, E2, E3, E4, E5, E6, E7, E8, E9, E10, E11, E12, vacate and re-plat Lots 26 and 27 to 26R, vacate and re-plat of Lots 28 and 29 to 28R, as well as any other Lots so designated by Declarant, whether now or in the future, in the Subdivision.

1.22 Flat Creek. "Flat Creek" shall mean that portion of Flat Creek which runs through the southeast portion of the Subdivision.

1.23 Front Fields. "Front Fields" shall mean that portion (approximately 109 acres) of the Common Area located on the northern most portion of the Subdivision.

1.24 Governmental Authority. "Governmental Authority" shall mean the United States of America, the State of Texas, Hays County, and any other political or governmental subdivision in which the Property is located, in whole or part, and any other political subdivision, agency or instrumentality exercising jurisdiction over the Property.

1.25 Governmental Requirements. "Governmental Requirements" shall mean all laws, statutes, codes, ordinances, rules and regulations of any government authority applicable to the Property and/or the use, enjoyment, operation, maintenance or ownership of the Property.

1.26 Guest House. "Guest House" shall mean any Improvement located on a Lot which is smaller than the Main House and accommodates habitation for people on a temporary basis. Guest House shall also include any Improvements located on a Lot which serves as a studio or office.

1.27 Improvement(s). "Improvement(s)", as used interchangeably in this Agreement, shall include buildings, dwellings, roads and other structures and all appurtenances thereto of every type and kind, including but not limited to outbuildings, storage sheds, patios, tennis courts, swimming pools, garages, storage buildings, playscapes, tree houses, swing sets, fences, screening walls, retaining walls, stairs, steps, porches, mailboxes, walkways, driveways, decks, landscaping, poles, signs, exterior air conditioning, water softener reservoirs, pumps, wells, tanks, pipes, lines, meters, antennae, aerials, satellite dishes, wind generators, solar collectors, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television and other utilities.

1.28 La Ventana Restriction(s)/Restriction(s). "La Ventana Restriction(s)" or "Restriction(s)" shall mean this Declaration and the deed restriction(s) contained herein, as the same may be amended from time to time, together with the La Ventana Rules, any Committee Rules and the Articles and Bylaws of the Association from time to time in effect, as the same may be amended from time to time.

1.29 La Ventana Rule(s). "La Ventana Rule(s)" shall mean the rule(s) and regulations adopted by the Board, including, but not limited to, the Articles, Bylaws, Ranchers Club Rules, Pool and Spa Rules, Clubhouse Rules, Exercise Room Rules, Corral Rules, Stable Rules and Common Area Rules as the same may be amended from time to time.

1.30 Lot(s). "Lot(s)" (sometimes referred to as "Homesite(s)") shall mean any parcel or parcels or land within the Property shown as a subdivided lot or homesite on a recorded plat of any portion of the Property, together with all Improvements located thereon.

1.31 Main House. "Main House" shall mean any Improvement located on a Lot which constitutes and serves as the primary single family residence.

1.32 Manager. "Manager" shall mean the person(s), firm or corporation, if any, employed by the Association for management responsibilities pursuant to this Declaration and/or delegated by the Board any duty, power or function of the Association.

1.33 Member. "Member" shall mean any person or entity holding membership rights in the Association and shall have the same meaning as "Owner" defined herein.

1.34 Mortgage. "Mortgage" shall mean any mortgage or deed of trust covering any portion of a Lot given to secure the payment of a debt.

1.35 Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages.

1.36 Owner. "Owner" shall mean a person or entity including Declarant, holding a fee simple interest in any Lot or Undeveloped Lot, but shall not mean a Mortgagee until and unless any such Mortgagee acquires and owns a fee simple interest in a Lot.

1.37 Ranchers Club. "Ranchers Club" shall mean that portion of the Common Area located on the southeast portion of the Subdivision and designated as Ranchers Club by Declarant where the Clubhouse, community pool, tennis center, golf range and other amenities are located.

1.38 Perimeter Path. "Perimeter Path" shall mean that portion (approximately 25-foot strip/path) of the Common Area which is designated as a horse/hike/bike trail by Declarant and which substantially borders the perimeter of the Subdivision, not including La Ventana West.

1.39 Person. "Person" shall mean any individual, corporation, partnership (general or limited), joint venture, trust (or trustee), executor, administrator, guardian, association, estate or other entity having the legal right to hold title to real property.

1.40 Plans and Specifications. "Plans and Specifications" shall mean any and all documents designed to guide or control the construction, erection, removal or material alteration of any Improvement on any Lot, including but not limited to those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, elevation drawings, floor plans, specifications on all building products and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to such Improvement.

1.41 Plat. "Plat(s)" shall mean the map(s) or plat(s) recorded in the Plat Records of Hays County, Texas, evidencing and providing for the subdivision of the Property known as La Ventana and La Ventana, a subdivision formed in accordance with applicable Governmental Requirements relating to the subdivision of property in Hays County, Texas.

1.42 Pond(s). "Pond(s)" shall mean any tank, pond, reservoir, or body of water located on the Common Area.

1.43 Private Road(s). "Private Road(s)" shall mean the private roads located on the Common Area and providing access to the Lots and ingress to and egress from the Subdivision, as more fully shown and provided for on the Plat.

1.44 Property. "Property" shall mean and refer to all real property located in the Subdivision subject to this Declaration, according to, and as set forth on, the Plat and more fully described by metes and bounds on Exhibit "A" attached hereto, and for all purposes made a part of, this Declaration, including the real property added to the Subdivision known as La Ventana West and any other real property added to the Subdivision which may be added to the Subdivision in the future by Declarant.

1.45 Street Side Right(s)-of-Way. "Street Side Right(s)-of-Way" shall mean that part of the right-of-way situated between the edge of pavement of the Private Road and a Lot line.

1.46 Subdivision. "Subdivision" shall mean La Ventana, the subdivision formed by Declarant pursuant to this Declaration, as shown in the Real Property Records of Hays County, Texas and any

property added to the Subdivision in accordance with the terms herein, including, but not necessarily limited to La Ventana West.

1.47 Undeveloped Lot(s). "Undeveloped Lot(s)" shall mean any parcel(s) of land in the Subdivision owned by Declarant which is not a Lot.

ARTICLE II DEVELOPMENT OF THE PROPERTY

2.1 Development by Declarant. Declarant or its transferee may divide or subdivide the Property, designate any portion of the Property to be a separate Area, develop all or any portion of the Property and, at Declarant's option, dedicate parts of the Property as Common Areas and/or Greenbelt or for other purposes for the benefit of the developed areas, in accordance with the Declarant's master plan for the Property. It is contemplated that the Property will be developed pursuant to a master conceptual plan, which may, from time to time be amended or modified, in the sole discretion of Declarant.

2.2 Addition of Land. Declarant, and other persons with Declarant's written consent, may develop certain real property now owned or hereafter acquired by Declarant. Declarant may, at any time and from time to time, add additional lands to the Property and upon the filing of a Notice of Addition of Land as hereinafter described, this Declaration and the covenants, conditions, restrictions and obligations set forth herein, shall apply to the added lands and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration. Permission from the Association and/or the Owners is not required for the addition of land. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Real Property Records of Hays County, Texas, a notice of Addition of Land (which notice may be contained within any Supplemental Declaration affecting such land) containing the following provisions:

(a) A reference to this Declaration, which reference shall state the book and page numbers of the Hays County Real Property Records wherein this Declaration is recorded;

(b) A statement that all of the provisions of this Declaration shall apply to the added land;

(c) A legal description of the added land; and

(d) A legal description of all Common Area to be owned by the Association within the added land.

2.3 Withdrawal of Land. Declarant, and others with Declarant's written consent, may, at any time and from time to time, reduce or withdraw areas from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions, obligations and liens set forth herein shall no longer apply to those lands withdrawn. The procedure for withdrawal of land shall be substantially the same as set forth above in Section 2.2 for the addition of land except that the instrument shall be designated as a Notice of Withdrawal of Land and the provisions of such Notice shall be modified as necessary to provide for the withdrawal of land rather than the addition of land.

ARTICLE III
RESTRICTIONS

All of the Property (except for Commercial Lot 1) shall be owned, encumbered, mortgaged, leased, used, occupied, enjoyed, sold and conveyed subject to the following terms, conditions, covenants, and restrictions in this Article III:

3.1 Antennas. Exterior radio or television antennas, or aerial or satellite dish receivers, or other devices designed to receive telecommunication signals, including, but not limited to, radio, television or microwave signals which are intended for cable television, network television reception, internet, cellular telephones or entertainment or business purposes may be erected or maintained only with the prior written approval of the Architectural Committee.

3.2 Main House/Guest House. No more than one (1) Main House and one (1) Guest House shall be constructed or placed on any Lot. The restrictions and limitations in this Section 3.2 shall not prohibit, restrict or limit the number of other Improvements on a Lot which are appurtenant to any dwelling on a Lot or which are placed on a Lot for any other lawful and permitted purpose, including, without limitation, greenhouses, outbuildings (so long as constructed to match the exterior of the Main House), patios, tennis courts, swimming pools, garages, cabanas, playscapes, tree houses, swing sets, fences, screening walls, retaining walls, porches, driveways, decks, air conditioning equipment, water softening fixtures or equipment, exterior lighting fixtures and equipment, and meters. Unless the prior written approval of the Architectural Committee is obtained, no Improvement constructed or placed on any Lot shall exceed the height of the Main House on such Lot.

3.3 Insurance Rates. Nothing shall be done or kept on the Property which would increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located upon any Lot of the Common Area without the prior written approval of the Board. For purposes of this paragraph, the construction, maintenance and use of a swimming pool upon any Lot which complies with the provisions of Section 3.31 hereof and is ancillary to and connected with the construction and use of a single-family dwelling upon such Lot is deemed to be an acceptable and permitted use under the terms of this paragraph.

3.4 Compliance with and Violation of Provisions of Restrictions. Each Owner shall comply with the provisions of La Ventana Restrictions, as the same may be amended from time to time. Failure to comply with any of the La Ventana Restrictions shall constitute a violation of this Declaration and shall give rise to the following rights and remedies:

(a) A violation by an Owner, his or her family, guests, lessees or licensees, of the La Ventana Restrictions shall authorize the Board to avail itself of any one or more of the following remedies:

(1) The imposition of a "special charge" not to exceed One Hundred Dollars (\$100.00) per violation, to the extent permitted by applicable law;

(2) The suspension of such Owner's rights to use any Association Property for a period not to exceed thirty (30) days per violation;

(3) The rights to enter the Property and Improvements, after forty-eight (48) hours notice of the violation, and cure or abate such violation and to charge the expenses thereof, if any, to such Owner; or

(4) The right to seek injunctive or any other relief provided or allowed by law against such violation and to recover from such Owner all its expenses and costs in connection therewith, including but not limited to, attorney's fees and court costs.

Each day a violation continues shall be deemed a separate violation.

(b) The voting rights of an Owner who fails to pay any Assessment authorized or permitted by this Declaration, or a special charge authorized in this Section 3.4, shall automatically be suspended and shall remain suspended until any such Assessment or special charge, including penalty, interest and attorney's fees added to such Assessment as authorized in Article VII hereof, is paid in full.

3.5 Subdividing. No Lot shall be further divided or subdivided nor may any easements or other interests herein less than the whole conveyed by the Owner thereof; provided, however, that if the Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easement or other interest less than the whole, all without the approval of the Architectural Committee...

3.6 Mergers. Upon a merger or consolidation of the Association with another association, its properties, rights, and obligations may, by operation of law, be transferred to the surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association, and the surviving or consolidated association shall possess such properties, rights and obligations in the same manner as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restriction established by this Declaration within the Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration pertaining to the Property except as hereinafter provided. No merger or consolidation of the Association shall be effective without the written consent of Declarant.

3.7 Signs. Declarant and any other person or entity engaged in the construction and/or sale of a residence within the Subdivision shall be permitted to place, during the period of development, construction, sale and resale of houses in the Subdivision, one (1) "For Sale/Builder/Etc." sign of less than four (4) square feet in size. Subcontractors' signs are not allowed. Notwithstanding the foregoing, the appearance and location of all signs must be acceptable to the Architectural Committee. Security related signs are permitted. Plaques and/or monuments naming the Lot are allowed. Declarant and the Association may erect signs for any purpose, including marketing, on the Property. The foregoing specifically prohibits Lot Re-Sale signs unless approved by the Committee.

3.8 Rubbish and Debris. No rubbish or debris of any kind (including weeds, brush or material of any nature deemed to be rubbish or debris by the Committee) shall be placed or permitted to accumulate upon the Property and no odors shall be permitted to arise therefrom so as to render the Property, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other Property or to its occupants. No horse manure shall be allowed to accumulate on the Equestrian Lots. Horse manure shall be disposed of regularly and kept at a minimum at all times. The Architectural Control Committee shall determine what constitutes rubbish, debris or odors and what conditions render any portion of the Property unsanitary, unsightly, offensive or detrimental to any other Property or to its occupants; and the decision of the Architectural Control Committee shall be final and binding on the parties. Refuse, garbage and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view except for designated trash collection days. In the event that the Owner or permitted occupants of any Lot shall fail to keep, or cause to be kept such Lot or Improvements thereon free from rubbish or debris of any kind, and such failure or refusal shall continue for fifteen (15) days after delivery of written notice thereof, then the Association may, but shall not be obligated to, enter upon the

Property and remove or correct the same at the expense of the Owner of such Lot and such entry shall not be deemed to be a trespass. Owners may dispose of yard rubbish, clippings, and other organic debris at the Compost Area. Compost may be used by Declarant, the Association and Owners. No burning of any kind is allowed on any Lot except that Declarant is allowed to burn during any Development Activity and the Association is allowed to burn at the Compost Area.

3.9 Garbage Containers. The Association may contract with a licensed trash removal service to serve the garbage collection needs of the Property, with each Owner paying for the service to his or her Lot.

3.10 Nuisances. No noise, light pollution or other nuisance shall be permitted to exist or operate upon any of the Lots so as to be offensive or detrimental to any other of the Lots or to its occupants (other than security devices used exclusively for security purposes).

3.11 Construction of Improvements. No Improvements shall hereafter be constructed upon any portion of the Property without the prior written approval of the Plans and Specifications for the Improvement(s) by the Architectural Committee. The positioning of all Improvements upon Lots within the Property is also hereby expressly made subject to Architectural Committee review and approval. The Architectural Committee may, but shall not be required to, prevent or allow the construction of a proposed Improvement based upon the effect it will have upon the view from any other Lot. The Architectural Committee may consider the effect the Improvement will have on the Subdivision as a whole, it being expressly understood that neither Declarant, the Board or the Architectural Committee, in its sole judgement, nor the members thereof, shall be liable to any Owner in monetary damages or otherwise due to the construction of any Improvement within the Property or the creating thereby of an obstruction to the view from an Owner's Lot or Lots.

3.12 Repair of Buildings. All Improvements upon any of the Lots shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner thereof. The opinion of the Architectural Control Committee as to condition shall be final. The Owner shall repair any Improvement if required to do so by the Architectural Committee.

3.13 Alteration or Removal of Improvements. The construction or material alteration of any Improvement on any Lot other than normal maintenance, which in any way materially alters the exterior appearance of any Improvement, and/or the removal of any material portion of any Improvement on any Lot shall be performed only with the prior written approval of the Architectural Committee.

3.14 Roofing Materials. No reflective, white or bright colored roofing materials shall be permitted on any Improvement. The minimum standards for roof shingles shall be dimensional, 300 pounds per square, 25 year shingles or better. Non-glistening metal or tile roofs, including drain gutters, shall be permitted. The Committee shall have the sole discretion and right to approve or reject in writing all roofing materials to be used on any Improvement and a failure or refusal to approve is a rejection.

3.15 Liability of Owners for Damage to Common Area and Facilities. No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area, including, but not limited to, trees and landscaping, without the prior written approval of the Board, except that each Owner shall be responsible for upkeep and maintenance of their Street Side Right-of-Way adjacent to their Lot. Each Owner shall be liable to the Association for any and all damages to (i) the Common Area, or (ii) any Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damage is caused by the neglect, misuse or negligence of such Owner any tenant or other occupant of such Owner's Lot, or any guest or invitee of such Owner. The full cost of all repairs of such damage shall be an Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectible in the same manner as provided in Article VI hereof, including but not limited to foreclosure of such lien.

3.16 Underground Utility Lines. No utility lines, including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television or any other type of line or wire shall be erected, placed or maintained any where in or upon any portion of the Property unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under or on buildings or other Improvements as approved in writing by the Committee; provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or other Improvements which have been previously approved in writing by the Committee. Notwithstanding any provision herein to the contrary, Declarant and the Association are hereby exempt from compliance with this Section 3.16.

3.17 Drainage. There shall be no interference with the established drainage patterns over any of the Property, except by Declarant, unless adequate provision is made for proper drainage and approved by the Architectural Committee. All drainage structures under private driveways shall be constructed out of concrete or rock and have a net drainage opening area of sufficient size to permit the free flow of water without backwater. Metal drainage structures or culverts under driveways are not permitted. All drainage structures shall be subject to the approval of the Architectural Committee. Owners are responsible for the construction, upkeep and repair of drainage structures or culverts under their driveways, regardless if such structure is located in a Street Side Right-of-Way.

3.18 Creek and Tributary Obstructions. No obstructions of any type, including, but not limited to, fences, dams, and concrete walkways, shall be placed in, on, or across any Creek Bed adjoining or running through any Lot in the Subdivision, except by Declarant or Association.

3.19 Filling, Cutting and Slope Control. The Architectural Committee shall carefully review all proposed Improvements which will be placed on Lots with slopes exceeding twenty (20%) percent, and all filling and cutting of the terrain on such Lots shall be kept at a minimum. The Architectural Committee may require "pier and beam" type foundations for the Improvements on such Lots in lieu of standard "slab on grade" foundations if, in its sole discretion, the Architectural Committee so elects.

3.20 Solar Equipment. All usage of solar equipment must be approved in writing by the Architectural Committee. Solar collectors shall not be permitted to be installed upon any Improvements on any Lot in a fashion that would cause a glare to adjoining Lots or detract from the design of the structure.

3.21 Hazardous Activities. No activities shall be conducted or allowed to exist on any Lots and no Improvements shall be constructed on any Lot that are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, activities that are expressly prohibited include (1) any activities which may be offensive or hazardous by reason of odor, fumes, dust, smoke, noise, vibration or pollution, or which are hazardous by reason of excessive danger, fire or explosion, or (2) the discharge or leakage of any type of hazardous or toxic chemical or material, provided, however, materials and activities that are customarily used for residential and agricultural purposes, including construction shall be allowed on the Lots. Additionally, no firearms or fireworks shall be discharged upon the Property, no open fires shall be lighted or permitted except in a contained barbecue unit (while attended and in use for cooking purposes), within a safe and well-designed interior fireplace, or such campfires or picnic fires in the Common Areas designed for such use by Declarant or by the Association.

3.22 Temporary Structures. No tent, shack, mobile home, trailer, or other temporary building, improvement, or structure shall be placed upon the Property, without the prior written approval of the Architectural Committee; provided, however, that temporary structures necessary (i) for the storage of tools and equipment and (ii) for office space for architects, builders, and foremen during actual construction or a residence and temporary structures necessary for providing office space for builders and their

representatives to market residences to prospective purchasers may be maintained with the prior approval of the Architectural Committee, such approval to include the nature, size, duration, and location of each structure.

3.23 Mining and Drilling. No portion of any Lot shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, water, rocks, stones, sand, gravel, aggregate, or earth, or for any mineral development or production activities at any time. This restriction shall not apply to the removal or deposit of rocks, stones, sand, gravel, aggregate, or earth as necessary in connection with the construction of any Subdivision improvements such as streets, sidewalks, curbs, gutters, drainage systems or utilities or as may otherwise be required in connection with the construction of any Improvements approved by the Architectural Committee. Declarant, and/or any water utility company owned or controlled by Declarant, shall have the exclusive right to drill a water well or wells on any Common Area or sanitary easement of record within the Subdivision (including the placement of surface equipment) to any depth and capture any quantity of water it deems necessary for the operation of its business. This right is assignable by the foregoing entities and the Association shall acknowledge any such assignment when presented. Lot number 50 shall be entitled to use the existing water well located thereon for its own landscaping/irrigation purposes only. Commercial Lot 1 shall be entitled to use the existing water well located thereon for any purpose or additional water wells for any legal use may be drilled.

3.24 Unightly Articles: Vehicles. The intent of this section is to prohibit the view of unsightly articles and unsightly vehicles (as deemed such by the Committee) located on any Lot. No article deemed to be unsightly by the Architectural Committee shall be permitted to remain on any Lot so as to be visible from adjoining Property or public or private thoroughfares. Without limiting the generality of the foregoing, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, and garden maintenance equipment shall be kept at all times, except when in use, in enclosed structures or completely screened from view and no repair or maintenance shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. Each single-family residential structure constructed within the Property shall have garage space sufficient to house at least two (2) vehicles. Lot owners shall not keep more than two (2) automobiles in such manner as to be visible from any other portion of the Property for any period in excess of seventy-two (72) hours. No automobiles or other vehicles may be parked after dark or overnight on any roadway within the Property. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from any view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse trash shall be kept, stored or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view. Equestrian Lot Owners may park one (1) horse trailer next to each stable provided such parking space is covered in accordance with this Declaration.

3.25 Mobile Homes, Travel Trailers, Cattle Trailers and Recreational Vehicles. No mobile homes shall be parked or placed on any Lot at any time, and no travel trailers, cattle trailers, or recreational vehicles shall be parked on or near any Lot so as to be visible from adjoining Property or public or private thoroughfare for more than forty-eight (48) hours.

3.26 Fences. No fence, of any sort, shall be constructed on any Lot without the Architectural Control Committee's prior written approval. In order to obtain such approval, complete plans and specifications for any proposed fence must be submitted to and approved in writing by the Architectural Control Committee. The Architectural Committee may, in its discretion, prohibit the construction of any fence, or specify the materials of which any fence must be constructed, or require that any other proposed fence be screened by vegetation or otherwise so as not to be visible from other portions of the Property. In any case, the following types of fences are not permitted: chain link, barbed wire, game fences, and fences over seven (7) feet high. Wooden Privacy Fences are not favored by the Committee and shall only be

approved on a showing of good cause by Owner. This Restriction does not apply to Declarant, the Association, nor any existing fences on the Property.

3.27 Restrictions Against Unlicensed Vehicles. No unlicensed vehicles, including, but not limited to, 3-wheelers, 4-wheelers, or go-karts, shall be allowed to be driven upon the Property, including the Private Roads. Golf carts with tall caution flags are permitted. No motorized vehicles, licensed or unlicensed, shall be allowed to be driven or parked on any Undeveloped Lot(s) or the Common Area except paved roads or designated parking area(s). Declarant, its contractors, maintenance vehicles, and emergency vehicles are exempt from this Section.

3.28 Animals-Household Pets. No animals, including pigs, poultry, fowl, wild animals, cattle, sheep, goats or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained or cared for on the Property, except for the animals, including horses, subject to Section 3.54, longhorn cattle, llamas and other livestock and wildlife that Declarant or the Association determines to own and raise and/or manage on the Common Area. No animal shall be allowed to make an unreasonable amount of noise or to become a nuisance, through noise or otherwise, and no domestic pets will be allowed on the Property other than on the Lot of its Owner unless confined to a leash. No animal shall be allowed to run at large, and all animals shall be kept within enclosed areas which must be clean, sanitary and reasonably free of refuse, insects and waste at all times. Such enclosed area shall be constructed in accordance with plans approved by the Architectural Committee, shall be reasonably designed and constructed to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Property. In no event shall Pit bulls or other vicious or dangerous animals be allowed on the Property. The Front Fields are the "leash free" zone for pets belonging Owners so long as the pet Owner is present to supervise their pet(s) and the pet(s) are trained and obedient. Equestrian Lots are allowed the full time boarding of no more than two (2) horses each.

3.29 Landscaping. It is the intent of this Declaration to recognize, utilize and supplement the existing landscape and visual resources by retaining the natural character of the site with it's rolling terrain and clusters of trees. It is the further intent to structure a viable introduced landscape, ensuring consistent quality and providing for visual harmony through color and textural variety. No fences, wall, hedge, shrub or tree planting which obstructs sight lines at elevations between three (3) and six (6) feet above the surface of any street or roadway shall be planted or permitted to remain on any corner Lot within the triangular area formed by the curb lines of such intersection streets and a line connecting such curb lines at points twenty-five (25) feet from their intersection, or, in the case of a rounded corner, from the intersection of the curb lines as extended. The same sight line limitations shall apply on any Lot within ten (10) feet of the intersection of a street curb line and the edge of a driveway or alley. No trees shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at a height of more than six (6) feet above ground level. Anything herein to the contrary notwithstanding, the Committee may allow a ten (10) foot setback from a side street if the Committee, in its sole discretion, so elects. No tree (other than mountain juniper, commonly known as cedar) having a trunk with a diameter of six (6) inches or larger shall be removed from any Lot without the consent of the Committee.

The tree disease caused by the fungus *Ceratocystis fagacearum*, commonly known as Oak Wilt, is present on the Property and the Texas Hill County. Both red oaks and live oaks are susceptible to Oak Wilt and the disease has been diagnosed in more than sixty (60) Texas counties. The fungus spreads through the common root system of oaks. Existing trees shall be pruned and treated for diseases and insects in keeping with good arboricultural practice as deemed by the Committee. Owners must cooperate with the Association to control any tree disease present on Owner's Lot. In the event a tree larger than a ten (10) inch caliper, but smaller than sixty (60) inches in circumference, is removed or destroyed, the Owner of the Lot from which such tree was removed or destroyed will replace that tree with at least three (3) hardwood trees of a minimum

three (3) inch caliper or seven (7) inch circumference. This Restriction does not apply to Declarant or the Association.

3.30 Maintenance of Lawns, Plantings and Improvements and Street Side Rights-of-Way.

(a) In the event the Owner of any Lot shall fail to maintain such Lot, that portion of the Street Side Right-of-Way along the Lot, and the Improvements situated thereon in a neat and orderly manner, the Association, acting on its own or through the Architectural Committee, its agents and employees, shall have the right to enter upon said Lot and to repair, maintain, and restore the Lot and exterior of any and all buildings and other Improvements erected thereon, all at the expense of the Owner.

(b) The Owner of a Lot which includes a Creek Bed shall maintain the Creek Bed and banks free of weeds and debris and, if the Owner shall fail to do so, the Association shall have said area maintained at the expense of the Owner. Anything to the contrary contained in this paragraph notwithstanding, all Creek Bed maintenance performed by an Owner, or by the Association, shall be performed in accordance with all pertinent and specifically applicable regulations and the ordinance of the appropriate governmental entity.

(c) All plants, shrubs, trees, grass, and landscaping on a Lot shall be maintained in a trimmed and neat condition at all times. Declarant, the Association and the Architectural Committee shall have the right, at any reasonable time, to enter upon any Lot to replace, maintain and cultivate shrubs, trees, grass or other plantings located thereon, and to charge the cost thereof to the Owner of the Lot as provided herein.

(d) The Association shall have the sole authority to make a determination as to the acceptability of the maintenance and appearance of any Lot, and the Association shall have the absolute discretion and authority to determine the necessity for required maintenance of Lots within the Subdivision. No unsightly Lots shall be permitted at anytime.

3.31 Swimming Pools. Moveable aboveground swimming pools are strictly prohibited, excluding small "kiddy pools". All swimming pools must be in a fenced enclosure surrounding the swimming pool or access to that portion of the Lot upon which the swimming pool is located must be restricted with lockable access by fencing of adequate height. Such fence is to be approved by the Architectural Control Committee.

3.32 Main House Sites. Unless requirement is expressly waived in writing by the Committee, any Main House constructed on a Lot must have an enclosed living space of not less than two thousand eight hundred (2,800) square feet, exclusive of open and closed porches, decks, terraces, patios, balconies, driveways and garages. This requirement will only be waived by the Committee in circumstances where the Property or other characteristics of a Lot do not reasonably enable compliance with this requirement. This shall not apply to any residence or Building existing prior to the date of the original Declaration. The Committee may grant variances on this requirement on only those Lots which were contracted for prior to the date of filing this Declaration, but in no event shall the minimum enclosed living space requirement be less than 2,250 square feet.

3.33 Guest House Sites. Unless requirement is expressly waived in writing by the Committee, any Guest House constructed on a Lot must have an enclosed living space of not less than four hundred (400) square feet, exclusive of open and closed porches, decks, terraces, patios, balconies, driveways and garages. This requirement will only be waived by the Committee in circumstances where the Property or other characteristics of a Lot do not reasonably enable compliance with this requirement. This shall not apply to any residence or Building existing prior to the date of the original Declaration.

3.34 Masonry Construction Without the prior written consent of the Architectural Committee, no structure or Improvement (if applicable) may be constructed of more than ten percent (10%) exterior wood, with the remaining portion being of masonry construction. Brick, natural stone and stucco shall be considered to be masonry for purposes of this Section. In computing these percentages 1) all gables shall be excluded from the total area of exterior walls; 2) all windows and door openings shall be excluded from the total area of the exterior walls; 3) all underpinnings shall be excluded from the total area of the exterior walls; and 4) stone and masonry used on fireplaces, chimneys and walls of an attached garage may be included in the computation as stone, masonry or stucco is used. The decision of the Architectural Committee as to the percentage of exterior wood used, or shown on a construction plan, shall be final and binding on all parties. Hardy plank or hardy board shall not be considered a masonry product.

3.35 New Materials. Only new materials shall be utilized in constructing any structures situated upon a Lot, unless approved by the Committee.

3.36 Construction in Place. All dwellings constructed on the Property shall be built in place on the Lot. No pre-constructed, prefabricated or existing building or structure may be moved onto any portion of the Property without the prior written approval of the Architectural Committee.

3.37 Construction Standards. All construction must conform to plans and specifications approved in writing by the Architectural Committee. The criteria considered by the Architectural Committee may include, but shall not be limited to, whether the Plans and Specifications demonstrate that the improvement proposed would preserve the quality and atmosphere of the Property and not materially detract from the view or value of adjacent Lots. Once commenced, construction shall be diligently pursued to completion in order that Improvements not be left in a partially finished condition any longer than is reasonably necessary.

3.38 Unfinished Improvements. No Improvements shall remain unfinished for more than one (1) year after the same has been commenced, unless prior written approval from the Architectural Committee has been received.

3.39 Improvement Location: Minimum Yards. Notwithstanding the general setback requirements set forth herein as to location of Improvements upon any Lot, it is the intention of Declarant to establish the importance of locating such Improvements in order to preserve existing natural trees, vegetation and topography to the greatest extent possible and practicable. The Architectural Committee shall be specifically empowered to require or grant variances with respect to such setback requirements in accordance with the review procedure set forth herein, so long as the resulting location of the Improvements will not encroach upon any other Lot, utility easement or public right-of-way. In connection therewith, minimum yard and set-back requirements may be set by the Architectural Committee or Declarant in excess of those set forth above or those shown on any plat of the Subdivision through a Supplemental Declaration in order to maximize open areas, pedestrian, and vehicular movement, to preserve views from other Lots and to benefit the overall appearance of the Subdivision.

3.40 Setback Requirements. No Building shall be located on any of the Lots nearer to the front lot line or nearer to the side street line than the minimum setback lines shown on the recorded plat of the Subdivision as it pertains to such Lot or Lots. In any event, no Building shall be located nearer than fifty (50) feet from the front line, or nearer than fifteen (15) feet from any side Lot line, or nearer than thirty (30) feet from any rear Lot line, on interior Lots and fifteen (15) feet on corner Lots along the street side. The Committee shall have the right to impose such additional setback requirements as it deems necessary to preserve lines of sight from neighboring properties and Lots. The Committee shall be entitled to review and

modify the setback requirements for cul-de-sac Lots and/or any other Lots designated at any time by Declarant for which compliance with the foregoing setback requirements might be difficult or impossible.

3.41 Rentals. Nothing in this Declaration shall prevent the rental of an entire Lot and the Improvements thereon by the Owner thereof for residential purposes, on either a short or long-term basis. In such event, both Owner and tenant shall be responsible for compliance with this Declaration and all La Ventana Rules. No Lot, including Improvements on a Lot, may be leased to more than four (4) adults at any one time.

3.42 Construction Activities. Notwithstanding any provision herein to the contrary, this Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, or posting of signs or similar activities; provided, however, that such construction is to be pursued to completion with reasonable diligence. Any mud, rocks or other debris which are tracked onto the Private Roads and Street Side Rights-of-Way from a Lot where Improvements are under construction shall be immediately cleaned up by the responsible Owner. Any damage to the Private Roads caused by construction activities shall be repaired by the Owner responsible for such damage. In the event of any dispute regarding such matters, a temporary waiver of the applicable provisions may be granted by the Architectural Committee; provided, however, that such waiver shall be only for a reasonable period of such construction.

3.43 No Warranty of Enforceability. While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Article III or elsewhere in this Declaration are or may be invalid or unenforceable for any reason to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability or lack of enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Lot in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof, and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

3.44 Identification of Lots. Each Owner shall post the street address number for each single-family residence located on a Lot in the manner and location approved by the Committee.

3.45 Fuel Tanks. No butane or fuel tank (other than small tanks used for outdoor cooking) or other structure or facility for the storage of combustible fuel shall be placed or maintained on any Lot unless expressly authorized in writing by the Committee. Declarant and Association may store fuel for the operation and management of the Property.

3.46 Prohibited Activities. No professional, commercial, or trade venture or activity shall be conducted on any of the Lots; provided, however, that model homes and/or sales offices may be constructed and maintained by the Declarant, its successors and assigns, or Builders, in connection with the development of and the construction and sale of houses and Lots in the Subdivision. Subject to the prior written consent of the Committee, home offices to which the general public is invited, incidental to an Owner's business, may be maintained within such Owner's residence so long as, in the sole and absolute discretion of the Committee, activities conducted in connection with such home offices do not become an annoyance or nuisance to the neighborhood.

3.47 Driveways and Garages. All driveways shall be constructed of concrete, asphalt, pavers or masonry and shall be subject to written approval by the Committee. All garages shall be physically attached to the residence. All garages shall have functional automatic garage door openers installed. Front entry garages are prohibited, unless the topography, front building width, or tree location on a particular lot

dictates that a front loaded or front-swing loaded garage be employed, in which case, the Architectural Committee shall be free to grant a variance to the Owner of such Lot allowing for the construction of a front-loaded or front swing loaded garage. In all such cases, front-swing loaded garages shall be preferable over front entry garages. Under no circumstances, however, shall a variance be granted to allow a garage door to face La Ventana Parkway.

3.48 Window Materials. All windows on all Improvements in the subdivision shall utilize only clear or lightly tinted, non-reflective glass.

3.49 Hunting. No hunting shall be permitted or firearms discharged on the Property.

3.50 Septic Systems. All septic tank and soil absorption sewage disposal systems shall be constructed in accordance with the minimum requirements of the division of Sanitary Engineering of the Texas State Department of Health in conformity with the restrictions outlined on the recorded plat of the Subdivision and the La Ventana Rules, and shall be inspected by a duly authorized agent of the Hays County Health Department, and, if required by the ordinances, by any pertinent and specifically applicable governmental or quasi-governmental entity. Written certification by the inspecting authority that the system complies with applicable requirements shall be presented to the Committee by the Owner of a Lot prior to occupancy of the premises.

3.51 Mailbox. Owner shall construct a mailbox on each Lot as determined by the Committee and in cooperation with the U.S. Postal Service and any other applicable regulatory authority.

3.52 General Use Restrictions. The Property (except for Commercial Lot 1) shall be improved and used solely for single-family residential use, for Common Area, and for other permitted uses. (See Article IV.) Common Area may, subject to the approval of Declarant or the Association, in their sole and absolute discretion, be improved or landscaped and used for active and passive recreational and entertainment purposes as well as any other authorized purpose. However, in no circumstances, may any improvements be constructed on that portion of the Front Fields which lies to the east of La Ventana Parkway. Declarant may, in his sole and absolute discretion, permit other Improvements and uses. Declarant has the right to dedicate Common Area and Sanitary easements in connection with any utility serving the Subdivision. Notwithstanding anything contained in this Declaration to the contrary, Declarant reserves the right to continue to use any Undeveloped Lot and maintain the use of any existing Improvements thereon as is currently being used, or otherwise.

3.53 Building Height. No Improvement greater than thirty-five (35) feet in height may be constructed on the Property or any Lot within the Property without the prior written approval of the Architectural Committee. For purposes of this paragraph, height shall be measured from the highest point of the foundation to the highest point of the ridge line of the roof of the proposed Improvement. Notwithstanding any provision herein to the contrary, Declarant may, but shall not be obligated to, establish separate and more restrictive height restrictions and requirements applicable to one or more Lots within the Property to preserve and maintain overall aesthetic appearances of the Subdivision and Improvements therein, and such height restrictions and requirements shall control over the height restrictions set forth in the body of this Declaration, provided the height restrictions to such Property or Lots is filed of record prior to or as part of the conveyance of the Property or Lots by Declarant.

3.54 Equestrian Activity. Owners of Equestrian Lots are allowed to board up to two (2) horses full time on each Equestrian Lot. A stable(s) must be constructed on an Equestrian Lot if horses are boarded thereon. The stable(s) shall conform to construction standards set forth by the Architectural Committee. Such stable(s) shall be located on an Equestrian Lot with the following setback requirements and size requirements:

(a) Each stable shall be constructed parallel to and six (6) feet from the Corral fence and shall be located at the center point of the rear Lot line of each Equestrian Lot. No part of a stable shall exceed a distance greater than thirty-six (36) feet from the Corral fence. Stables on Equestrian Lots which do not back up to the Central Corral must receive approval from the Committee before constructed.

(b) Each stable shall be a minimum of five hundred seventy-five (575) square feet but not larger than nine hundred (900) square feet with a height of not less than sixteen (16) feet or greater than twenty-two (22) feet from the stable floor to the highest point in the stable roof.

(c) Equestrian Lot Owners may park one (1) horse trailer next to each stable provided such parking space is covered.

(d) Each stable must be kept clean and neat at all times. Equestrian Lot Owners shall keep the stable area clean and free of debris through frequent clean up and regular removal of horse manure. Organic debris may be disposed of in the Compost Area. Equestrian Lot Owners shall control and minimize insects and flies resulting from Equestrian Activity.

3.55 Corral. Every Owner is allowed to use the Corral at designated times to ride, train, or graze horses. Horses which are not owned by an Owner are not allowed in the Corral. Overnight boarding of any horse in the Corral is limited to three (3) nights per week. Equestrian Lot Owners shall clean up after the horses on a frequent basis and remove horse manure from Equestrian Lots and the Corral and dispose of same in the Compost Area. Owners who use the Corral shall control and minimize insects and flies resulting from Equestrian Activity.

3.56 Designated Horse Riding Areas. Horses may be ridden only in the following authorized areas:

- (1) Perimeter Path
- (2) Front Fields;
- (3) Undeveloped Lots (excluding Commercial Lot 1);
- (4) Designated horse right-of-ways and crossovers;
- (5) Corral; and
- (6) Equestrian Lots.

ARTICLE IV COMMERCIAL LOT 1

4.1 Commercial Lot 1. Commercial Lot 1 is hereby expressly exempt from the La Ventana Restrictions and La Ventana Rules. Declarant or any owner or lessee of all or part of Commercial Lot 1 is authorized to conduct commercial, agricultural, office, administrative, or any other legal activities, on Commercial Lot 1. In the event Declarant determines to re-plat any or all of Commercial Lot 1 into Lot(s), then this Declaration shall be amended and provide covenants, conditions and restrictions which would apply and pertain to such Lots, if any.

ARTICLE V
ARCHITECTURAL COMMITTEE

5.1 Membership of Architectural Committee.

(a) The Architectural Committee shall consist of not less than one (1) and not more than four (4) voting Members ("Voting Members"), and such additional non-voting Members serving in an advisory capacity ("Advisory Members") as Declarant, its successor or assigns deems appropriate.

(b) The Architectural Committee shall consider and is authorized to act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board. The Architectural Committee shall review Plans and Specifications submitted for its review and such other information as it may require relating to the provisions of this Declaration or to the question of whether any proposed Improvement would unreasonably obstruct the view from other portions of the Property. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth herein and the decision of the Architectural Committee shall be final and binding so long as it is not in conflict with these Restrictions and is made in good faith. The Architectural Committee may hire consultants, including engineers and architects, to assist it in its duties hereunder. The Architectural Committee, and its agents and employees, shall not be responsible for inspecting any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval of any Improvement as to structural safety, engineering soundness or conformance with any building or other codes, regardless of the hiring by the Architectural Committee of any consultants to assist it in its duties hereunder.

5.2 Action by Architectural Committee. Items presented to the Architectural Committee shall be decided by majority vote of the Voting Members. The Architectural Control Committee's approval shall not be unreasonably withheld or delayed. If the Committee fails to respond in writing to a request for approval specifying its objections within thirty (30) business days from the date of its receipt by the Committee, such approval shall be deemed to have been given.

5.3 Advisory Members. The Voting Members may from time to time designate Advisory Members.

5.4 Term. Each member of the Architectural Committee shall hold office until such time as he or she has resigned or has been removed and his or her successor has been appointed as provided herein.

5.5 Declarant's Rights of Appointment. Declarant, its successors or assigns, shall have the right to appoint and remove all members of the Architectural Committee. Declarant may delegate this right to the Board by written instrument. Thereafter, the Board shall have the right to appoint and remove all members of the Architectural Committee.

5.6 Adoption of Rules. The Architectural Committee may adopt such procedural and substantive rules, not in conflict with this declaration, as it may deem necessary or proper for the performance of its duties, including, but not limited to, a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable. Each Owner shall comply with said rules as the same may be amended from time to time, and failure to comply with said rules shall constitute a default of this Declaration, and any Owner, including Declarant, at its sole expense and/or the Board may seek any of the remedies set forth herein for default of this Declaration.

5.7

Review of Construction, Alteration or Removal of Improvements.

(a) Whenever in this Declaration the approval of the Architectural Committee is required, it shall have the right to consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts which, in its sole discretion, are considered to be relevant. Except as otherwise specifically provided herein, prior to the commencement of any Improvement on the Property or any portion thereof, the Plans and Specifications therefor shall be submitted to the Architectural Committee, and such construction thereof may not commence unless and until the Architectural Committee has approved such Plans and Specifications in writing. The Architectural Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration, or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with the Plans and Specifications approved by the Architectural Committee. The Architectural Committee may review Plans and Specifications submitted for its review and such other information as it deems proper, including any information it may require relating to the question whether any proposed Improvement upon a Lot would unreasonably obstruct the view from other portions of the Property. Until receipt by the Architectural Committee of any information or document deemed necessary by the Architectural Committee, it may postpone review of any Plans and Specifications submitted for approval. No Improvement shall be allowed upon any Lot which would unreasonably obstruct the view from any other portion of the Property and no Improvement shall be allowed on any Lot which is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes and materials and similar features so as to be incompatible with residential development within the Property. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Committee shall not be binding, so long as it is made in good faith. The Architectural Committee shall not be responsible for reviewing any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval thereof, with respect to structural safety, engineering soundness, or conformance with building or other codes.

(b) Any Plans and Specifications which are not acted upon within thirty (30) calendar days after they have been submitted to the Architectural Committee shall be deemed to have been approved by the Architectural Committee. This approval shall not apply to any situation in which the Architectural Committee notifies the submitting party that its submission is somehow incomplete or in cases where the Architectural Committee make a request for additional information with respect to those Plans and Specifications.

(c) Any party requesting approval of a set of Plans and Specifications for use with a particular Lot shall submit a site plan showing the position of all improvements on the Lot, a tree survey, and brick, mortar and exterior trim colors or samples as a part of those Plans and Specifications. The party submitting such plans shall be required to point out to the Architectural Committee, and the Architectural Committee shall have the right to review and approve, any material changes to or deviations from any previously approved set of Plans and Specifications. The Architectural Committee shall have the right to prevent the construction of any improvements which have, in the Architectural Committee's sole opinion, material changes to or deviations from any previously approved set of Plans and Specifications.

(d) The Architectural Committee may grant variances from compliance with any of the provisions of this Declaration or any Supplemental Declaration, including, but not limited to, restrictions upon height, bulk, size, shape, floor areas, land area, placement of structures, set-backs, building envelopes, colors, materials, or land use, when in the opinion of the Architectural Committee, in its sole and absolute discretion, such variance will not impair or detract from the high quality development of the Property and such variance is justified due to unusual or aesthetic considerations, topographic or septic considerations,

or unusual circumstances. All variances must be evidenced in writing, in recordable form, and must be signed by at least a majority of the Voting Members of the Architectural Committee. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or of any Supplemental Declaration for any purpose except as to the particular Property and in the particular instance covered by the variance.

5.8 Nonconforming or Unapproved Developments. The Architectural Committee, at its option, may review all work in progress to ensure compliance with approved Plans and Specifications. The Architectural Committee may, with the prior approval of the Board, require any Owner, at Owner's sole expense, to restore such Owner's Lot to the condition existing prior to construction, alteration or removal of any Improvement or landscaping thereon, including without limitation the demolition and removal of any unapproved or nonconforming Improvement or landscaping, if such Improvement or landscaping was constructed or altered in violation of this Declaration. In addition, the Architectural Committee may, with the prior approval of the Board, but has no obligation to, cause such restoration, demolition and removal of any such Improvement or landscaping, and levy the amount of the cost thereof as a special individual assessment against the Lot upon which such unapproved or nonconforming Improvement or landscaping was constructed or altered.

5.9 Actions of the Architectural Committee. The Architectural Committee may, by resolution, unanimously adopted in writing, designate one or two of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Committee. In the absence of such designation, the vote of a majority of the members of the Architectural Committee, taken with or without a meeting, shall constitute an act of the Architectural Committee.

5.10 No Waiver of Future Approvals. The approval or consent of the Architectural Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications, or other matter whatsoever, subsequently or additionally submitted for approval or consent by the same or a different person.

5.11 Guidelines for Building at La Ventana: The Architectural Committee may promulgate a set of guidelines not in conflict with this Declaration for building and developing in the Subdivision which shall be general in nature and may be amended from time to time by the Architectural Committee.

5.12 Work in Progress. The Architectural Committee, at its option, may inspect all work in progress to insure compliance with approved Plans and Specifications.

5.13 Non-liability of Architectural Committee and Declarant. Neither the Architectural Committee, nor any Member thereof, nor the Board, nor any Member thereof, nor the Declarant and its officers, directors and partners, shall be liable to the Association or to any Owner or any other person for any loss, damage, or injury arising out of their being in any way connected with the performance of the duties of the Architectural Committee, the Board or Declarant, respectively, under this Declaration, unless due to the willful misconduct of the Architectural Committee or its Members, the Board or its Members, or the Declarant or its officers, directors and partners, as the case may be. Neither the Architectural Committee, nor any Member thereof, nor the Board, nor any Member thereof, nor the Declarant and its officers, directors and partners, shall be liable to any Owner, or to any other Person, due to the construction of any Improvement within the Property or the

resultant obstruction of the view from such Owner's Lot or Lots, or any other result of such construction or Improvement.

5.14 Submission of Final Plans and Specifications. The final Plans and Specifications shall be submitted in duplicate to the Architectural Committee in care of Lee P. Wood, 1501 Elder Hill Road, P. O. Box 250, Driftwood, Texas 78619, or such other address as may be designated from time to time by the Architectural Committee.

5.15 Fees. The Architectural Committee shall have the right to establish and collect a reasonable fee for each set of Plans and Specifications submitted for review. The initial fee shall be \$150.00 per submission. In addition, a fee may be charged to consider requests for variances, the amount of which shall be determined by the Architectural Committee.

ARTICLE VI THE ASSOCIATION

6.1 Organization. The Association is a Texas non-profit corporation created, or to be created, by Declarant for the purposes, and charged with the duties and vested with the powers, prescribed by law and as set forth in its Articles and Bylaws or in this Declaration. Neither the Articles nor Bylaw shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration; if an inconsistency exists, this Declaration shall control. The Articles and Bylaws are attached hereto as Exhibits "B" and "C" respectively, and are incorporated herein for all purposes as if set out in their entireties.

6.2 Powers and Authority of the Association. Subject to such limitation and restrictions as are set forth in this Declaration, the Articles and Bylaws, the Association shall have the powers of a Texas non-profit corporation, including, but not limited to, all powers provided under the provisions of the Texas Non-Profit Corporation Act, as amended from time to time, or any successor act or statute. It shall further have the power to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers granted to it by the laws of Texas or by this Declaration.

6.3 Indemnification.

(a) Indemnification. To the fullest extent permitted by applicable law, as the same exist or as they may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a Director of the ROA shall not be liable to the ROA for monetary damages, or otherwise, for an act or omission in the Director's capacity as a Director. Any amendment of these Bylaws shall be prospective only and shall not adversely offset any limitation on the personal liability of a Director of the ROA existing at the time of such repeal or amendment. In addition, the ROA shall be entitled to indemnify its Directors, officers, employees and/or Members, the Subdivision Manager (and its constituent partners and their respective directors, officers, employees, shareholders and/or members) and others acting on the ROA's behalf, including, without limitation, members of the Architectural Committee or other similar committees and any third-party agents and contractors, to the fullest extent allowed by applicable law. The Association shall indemnify any Person who was or is a party, or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director, officer, Architectural Committee Member, or employee of the Association (the "Indemnified Party or Parties") against reasonable expenses to be paid directly and as actually and reasonably incurred (including attorney's fees, judgments, fines and amounts paid in settlement, including interest, costs and expenses) by the Indemnified Party in connection with such action, suit or proceeding if it is found and determined by the Board or a Court of Law that the Indemnified Party 1) acted in good faith and in a

manner the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association or 2) with respect to any criminal action or proceeding, had not reasonable cause to believe the Indemnified Party's conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *Nolo Contendere* or its equivalent, shall not of itself create a presumption that the Indemnified Party did not act in good faith or in a manner which the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association, or with respect to any criminal action or proceeding, had reasonable cause to believe that the Indemnified Party's conduct was unlawful.

Furthermore, without limiting the foregoing in any way, the Association does hereby agree to INDEMNIFY AND HOLD HARMLESS and does hereby INDEMNIFY AND HOLD HARMLESS the Indemnified Parties, jointly and severally, from any and all claims, debts, demands, liabilities, damages, defenses, counter-claims, cross-claims, third party actions, offsets, actions, judgements and causes of action, whether in contract, tort or equity, of whatever nature or character, both known and unknown, whether held or accrued in the past, present or to accrue in the future, including reasonable attorneys fees and expenses incurred, which may hereafter be asserted by any Person, firm, corporation or other entity, arising out of or in any way related to or connected with, directly or indirectly, any act or omission committed by the Indemnified Party in such Indemnified Party's official capacity as a director, officer, Architectural Committee Member, employee. This indemnity provision applies even if such claims, debts, demands, liabilities, damages, defenses, counter-claims, cross-claims, third party actions, offsets, actions, judgements and causes of action were caused in whole or in part by any obligation, act, omission, negligence, breach of contract, misconduct, violation of statutory or common law, breach of warranty, product defect, or conduct of any type by such Indemnified Parties.

(b) Not Covered Owner and Member Obligations. All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a general obligation of the Association; provided, however, that nothing contained in this Article VI shall be deemed to obligate the Association to indemnify any Member or Owner, who is not the Declarant, who is or has been director, officer, committee Member or non-compensated agent of the Association, with respect to any duties or obligations assumed or liabilities incurred by him or her under and by virtue of the restrictive covenants as a Member of the Association or Owner of a Lot covered thereby.

(c) Insurance. The Board may purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee, servant or agent of the Association, against any liability asserted against or incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability hereunder or otherwise.

ARTICLE VII ASSESSMENTS

7.1 Assessments. Assessments may be established by the Declarant up to one (1) year after recording of any final plat of the Subdivision, or by the Board of the Association upon the establishment of the Association, pursuant to the provisions of this Article VII and shall be levied on a uniform basis against each Lot within the Property, subject to the limitations and exceptions as contained herein. The amount of the Assessments shall be determined in accordance with the provisions of this Declaration.

Notwithstanding the foregoing, the Assessments provided for herein shall not, without the consent of the Declarant, apply to Lot(s) or Undeveloped Lot(s) owned by Declarant, as long as owned by Declarant;

however, upon any sale of such Lot(s) by Declarant, to a third party, then such Assessments thereafter shall thereupon be applicable to such Lot(s).

Each unpaid Assessment(s), together with such interest thereon and costs of collection thereof, as hereinafter provided, is the personal obligation of the Owner of the Lot(s) against which the Assessment(s) is due, and is secured by a continuing lien against the Lot(s) and all Improvements thereon. The Association may enforce payment of such Assessment(s) in accordance with the provisions of this Article.

7.2 Funds. The Board shall establish one or more funds into which all monies paid to the Association shall be deposited and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association shall be used solely for purposes authorized by this Declaration, as it may from time to time be amended.

7.3 Regular Annual Assessment. Prior to the beginning of each fiscal year, the Board or the Declarant, initially, shall estimate the expenses to be incurred by the Association during such year in performing its functions under the Restrictions, including but not limited to, the cost of taxes, insurance, maintenance of roadways, rights-of-way, easements, median strips, sidewalks, paths and trails, the cost of maintaining, operating, lighting, watering, landscaping, providing underground utilities, and repairing all Common Area, and any Improvements thereon, the cost of enforcing this Declaration, the cost of management of the Subdivision and any contractual obligations related to such management, the cost of providing a fund for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior years' fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of the Assessment set by the Board or, initially, Declarant, shall be final and binding, so long as it is made in good faith. If the sums collected pursuant to such levy prove inadequate for any reason, including non-payment of any individual Assessments, the Association may, at any time and from time to time, levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments, or in such other manner as the Board may designate in its sole and absolute discretion. Notwithstanding the foregoing, each Owner, excluding Declarant, shall pay an Assessment to the Association at the rate of Forty-nine Dollars (\$49.00) per calendar month per Lot, prorated, beginning on the first day following such Owner's acquisition of title to his Lot or Lots, which rate shall continue until changed by the Association as herein provided. At the closing of the acquisition of any Lot from the Declarant, any other developer thereof, or any Builder, the party acquiring such Lot shall pay a one-time processing fee of One Hundred Fifty Dollars (\$150.00). In no event shall the regular annual Assessment per Lot for year 2000 exceed the sum of Five Hundred Eighty-eight Dollars (\$588.00). Thereafter, the regular annual Assessment hereunder shall not be increased by more than ten percent (10%) above the maximum annual Assessment for the preceding calendar year without an affirmative vote of two-thirds (2/3's) of the Owners of the Association who are voting in person or by proxy, at a meeting duly called for such purposes.

7.4 Builders Assessment. Whenever any Lot is initially conveyed by Declarant to a Builder for the purpose of constructing a spec home, the Builder shall pay the Association a Builders Assessment of Five Hundred Dollars (\$500.00)/Lot. Such Builders Assessment shall relieve the Builder from paying Regular Annual Assessments as described herein for a period of twelve (12) months from the date the Builder acquires the Lot. In the event the Builder continues to own such Lot after said twelve (12) month period, then the Builder shall be responsible for paying Regular Annual Assessments as set forth above. Builders shall remain responsible for the Assessments set forth in Section 7.5 and 7.6, below.

7.5 Assessment Benefiting Specific Areas. The Association shall also have authority to levy Assessments against Lots located in specific local areas (e.g. Equestrian Lots) and Improvements to be expanded for the benefit of such Lots so assessed. The Assessments levied under this Section shall be levied

in proportion to the benefits conferred or to be conferred, as determined by the Board, and therefore the amount levied against each parcel of land or Improvement need not be equal.

7.6 Special Assessments. In addition to the Regular Annual Assessments provided for above, the Declarant or the Board, as the case may be, may levy Special Assessments whenever in the Declarant's/Board's opinion such Special Assessments are necessary to enable the Declarant/Board to carry out the functions of the Association under the La Ventana Restrictions. The amount of any Special Assessments shall be at the reasonable discretion of the Declarant/Board. Notwithstanding the foregoing, any Special Assessment in excess of One Thousand Dollars (\$1,000.00) per calendar year per Lot shall be approved by the affirmative vote of two-third's (2/3's) of Owners who are voting at a meeting duly called for such purpose, who are entitled to vote in accordance with the Bylaws.

7.7 Owner's Personal Obligation for Payment of Assessments. All Assessments provided for herein shall be the personal and individual debt owing to the Association by the Owner of the Lot covered by such Assessment(s). In the event of joint ownership or ownership as tenants-in-common by more than one (1) Person of any Lot covered by such Assessments, such personal obligations shall be joint and several for each of said Owners. No Owner, except Declarant, may exempt himself/herself from liability for such Assessments, and in the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest at a rate per annum equal to the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest lawful rate, at the rate per annum of eighteen percent (18%)), together with all costs and expenses of collection, including reasonable attorney's fees and court costs.

7.8 Assessment Lien and Foreclosure.

(a) To the extent permitted by applicable Governmental Requirements, the payment of the Assessments levied in accordance with this Declaration against each Lot, together with interest thereon as provided in Section 7.7 above and the costs and expenses of collection, including reasonable attorneys' fees, as provided below, is secured by, and there is hereby reserved, created and granted, a continuing lien and charge on and against each Lot to secure payment of the Assessments levied against the subject Lot in accordance with this Declaration, and any interest thereon as provided in Section 7.7 above and the costs and expenses of collections, including reasonable attorneys' fees as provided below. Such lien or payment of Assessments shall attach with the priority above set forth from the date that the Lot is purchased by Owner, which lien shall be further evidenced by a Vendor's Lien reserved by the Declarant in the Deed from Declarant to each Owner and such lien shall run with the land. The lien reserved, granted and created by this Declaration against a Lot for payment of Assessments shall bind and attach to the Lot and shall be valid and subsisting against the Lot, the Owner of such Lot and such Owner's heirs, devisees, personal representatives, successors or assigns, and shall be superior to all other liens and charges against such Lot, except only for (i) tax liens, and (ii) all sums unpaid on any obligations evidencing sums owing or borrowed for the purchase of such Lot and secured by a valid and enforceable first Mortgage lien or first deed of trust lien of record covering the subject Lot, provided that the lien of any such Mortgage shall be superior to the lien created above only with respect to Assessments becoming due after the date the subject Mortgage was recorded in the Official Public Records of Hays County, Texas. The Association shall have the power, in the Board's sole and absolute discretion, to subordinate the lien created by this Section 7.8 against any Lot to any other lien. Any such subordination shall be signed by an officer of the Association and recorded in the Official Records of Hays County, Texas. Upon the written request of any Beneficiary holding a lien on any Lot that is superior to the lien for payment of Assessments as provided herein, the Association shall report to said Beneficiary the amount of any Assessments levied against such Lot remaining unpaid for a period of more than thirty (30) days after the same are due.

(b) To evidence the aforesaid lien for payment of Assessments, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, a description of the Lot encumbered by the lien and the name of the Owner of such Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the Official Public Records of Hays County, Texas. The aforesaid lien for payment of Assessments shall attach with the priority set forth above from the date the payment of such Assessments becomes due. The Association may enforce such lien by the foreclosure sale of the defaulting Owner's Lot in like manner as a foreclosure of a mortgage or contractual lien on real property as provided in Section 51.002 of the Texas Property Code, as the same may be amended or modified, or the Association may institute suit against the Owner personally obligated to pay the Assessment for monetary damages and/or for the judicial foreclosure of the aforesaid lien. The Owner of the affected Lot shall be required to pay all costs and expenses, including without limitation reasonable attorneys' fees, incurred by the Association in connection with any foreclosure proceeding, whether judicial or non-judicial, and in connection with any collection proceeding the Association or Declarant shall have the power to bid on any Lot at any foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

(c) The liens for payment of Assessments provided for herein shall not be affected or extinguished by the sale or transfer of any Lot, whether by judicial or non-judicial foreclosure sale or otherwise; provided, however, that in the event of foreclosure of lien of any Mortgage superior to the lien for the delinquent Assessment, the lien for the delinquent Assessment will be extinguished, and the delinquent Assessment shall be paid out of the proceeds of such foreclosure sale only to the extent that funds are available after the satisfaction of the first lien Mortgage. The extinguishing of any lien for payment of Assessments as herein provided will not relieve any Owner from the obligation to pay Assessments subsequently becoming due and payable or affect or impair the lien created and reserved under this Declaration to secure payment of any such Assessments.

ARTICLE VIII
COMMON AREAS AND EASEMENTS

8.1 Common Areas. No land within any Common Area shall be improved, used or occupied, except in such manner as shall have been approved by Declarant, or the Association, as applicable. The use of Common Areas is restricted to Owners, Owners' guests and prospective owners. Further, Declarant has certain agriculture lease rights for the Common Area. Any Owner may reserve, for a fee, the Common Area and Improvements thereon for their private use with the permission of the Association and in accordance with La Ventana Rules.

Declarant and any water utility company owned or controlled by Declarant, shall have the exclusive right to drill a water well or wells on any Common Area or sanitary easement of record within the Subdivision to any depth and capture any quantity of water it deems necessary for the operation of its business (including the placement of surplus equipment). This right is assignable by the foregoing entities and the Association shall acknowledge any such assignment when presented.

8.2 Recreational Improvements. Any proposed construction of recreational Improvements within a Common Area shall be subject to approval by the Architectural Committee.

8.3 Privacy Gate. The Association shall pay for all costs and expenses necessary to operate and maintain the private gated entrance located on La Ventana Parkway. Such gated entrance shall not be relied on by the Owners and others for the security of property and person. Notwithstanding anything to the contrary contained herein, the Association retains the right to charge Owners a fee or deposit for the issuance of or replacement of privacy gate remote access cards and/or units. Each Main House shall be wired to access and operate the remote functions of such privacy gate.

8.4 Utility Easements in Common Areas. Declarant reserves the right to locate, construct, own and operate, erect and maintain or cause to be located, constructed, owned and operated, erected and maintained in and on any areas conveyed to the Association or reserved as Common Areas water, sewer and other pipelines, water wells, surface equipment, water tanks, conduits, wires and any public utility function beneath or above the surface of the ground, and with the right of access to the same at any time for the purpose of construction, drilling, operation, repair and maintenance. In connection herewith the rights granted herein are in addition to those rights granted in Section 8.1, herein. Such rights are transferable by Declarant.

8.5 Reserved Easements. All dedications, limitations, restrictions and reservations shown on the Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant for all purposes as if fully set forth herein, and shall be constructed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the said easements and rights-of-way for the purpose of most efficiently and economically developing the property. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other person or entity, to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (including, without limitation, gas, water, cable television, electricity, telephone, sewer and drainage), in favor of any person or entity, along and on either or both sides of any Lot line, which said easement shall have a maximum width of seven and one-half (7.5) feet on each side of such Lot line. See Plat for easements particular to any Lot.

8.6 Installation and Maintenance of Public Utilities. Declarant reserves, creates, grants and dedicates (without warranty) for Declarant and any and all public utility companies providing any public utilities to all or any portion of the Subdivision a perpetual, non-exclusive easement upon, across, over and under all portions of the Property designated on the Plat as public utility easements (the "PUE Tracts") for ingress and egress and for constructing, installing, replacing, repairing, operating, and maintaining all utility and service lines and service systems, public and private which are necessary as to provide public utilities to the Subdivision, including, but not limited to, telephone, cable television, gas, electric power, water distribution and wastewater collection, together with all lines, pipes, cables, conduits and other equipment, facilities, improvements and appurtenances installed in, under, along and across the PUE Tracts. By virtue of this easement, it shall be expressly permissible for Declarant and the public utility providers and companies supplying or providing public utility services to the Subdivision to install and maintain pipes, wires, conduits, service lines or other utility equipment, facilities, improvements or appurtenances thereto, on, above, across and under the PUE Tracts. Notwithstanding any provision contained in this section, no electrical lines, water lines or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Architectural Committee. Subject to compliance with applicable Governmental Requirements, the public utility providers and companies furnishing public utility services to the Subdivision shall have the right to remove all trees and fences situated within the PUE Tracts, and to trim overhanging trees and shrubs located on portions of the Property abutting the PUE Tracts. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers. Neither the Declarant nor any supplier of any utility service using any easement area, however, shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area. Declarant reserves the right to make changes in and additions to said easements and rights-of-way for the purpose of most efficiently and economically developing the Property.

8.7 Title to Easement and Appurtenances Not Conveyed. Title to any Lot conveyed by Declarant by contract, deed or other conveyance shall not be held or construed in any event to include the title to any roadways or Common Area or any drainage, water, gas, sewer, storm sewer, electrical light, electrical power, telegraph or telephone way, or any pipes, lines, poles or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Lot or any part thereof to serve said Lot or any other portion of the Property, and the right to maintain, repair, sell, convey or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant. All Common Area shall be owned by the Association, unless further conveyed in accordance with this Declaration.

8.8 Drainage Easements and Patterns. Except for (i) alterations, changes, and/or interference in connection with or resulting from Development by Declarant and (ii) alterations, changes and/or interference by an Owner on the Owner's Lot which do not affect drainage patterns on, or the flow of surface water over, any other Lot or any other portion of the Property, there shall be no alteration of, change in, or interference with the established drainage patterns over any Lot or other portion of the Property unless adequate provision is made for proper drainage in a manner approved by the Owner of each Lot affected by the subject alteration, change or interference and by the Association. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and/or shown on the Plat without the prior written approval of the Association. There shall be no construction of Improvements, temporary or permanent, in any drainage easement except as may be approved in writing by the Association. Easements for installation and maintenance of utilities and/or drainage easements are reserved and dedicated as are shown on the Plat. Within these easement areas, no Improvements, Landscaping, or other materials shall be placed or permitted to remain which may damage or interfere with the installation, maintenance and/or operation of these utilities and/or drainage easements and/or which may

hinder or change the direction or flow of surface water within the Property and/or along the existing drainage patterns, channels or slopes within the Property.

8.9 Entry Easement. Declarant reserves, creates, grants and dedicates (without warranty) for the Association and Declarant a non-exclusive easement upon, over and across each Lot for ingress and egress for any and all of the purposes stated in this Declaration and to exercise, enjoy and carry out any and all of the rights and powers granted herein, on and subject to the terms and conditions of this Declaration. Entry upon any Lot as provided in this Section 8.9 shall not be deemed to trespass, and the Association and Declarant shall not be liable for any damage so created unless damage is caused by the willful misconduct or gross negligence of the party against whom damages are sought to be collected.

8.10 Maintenance of Surface Area of Easements. Each Owner shall maintain the surface area of all easements located within his or her Lot and all Improvements located therein except for (a) such Improvements for which a public authority or utility company is responsible and (b) all detention ponds and water quality easement areas (with the Association being responsible for maintenance of all detention pond facilities and water quality easement areas). The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers, or any other Improvement authorized by the Committee. Trees with extremely large root systems shall not be planted directly over utility lines. However, neither Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

8.11 Temporary Completion Easement. Declarant reserves, creates, grants and dedicates (without warranty) for the benefit of Declarant and any Person building or constructing any Improvements on any Lot, and their respective employees, subcontractors, successors and assigns, a non-exclusive easement of ingress and egress over, along, within and upon the front side and rear yards of each Lot, any and all Common Area and any and all easements located within the Subdivision as may be expediently necessary for the construction, servicing, and completion of Improvements and Landscaping upon any Lot, any and all Common Area and any and all easements located within the Subdivision.

8.12 Owners' Easements of Enjoyment. Each and every Owner shall have a non-exclusive right and easement in and to the Common Area and a non-exclusive right and easement of ingress and egress to, from and through the Common Areas, which non-exclusive rights and easements shall be appurtenant to and shall pass with title to each and every Lot, subject to the following provisions:

(a) the right of the Association to establish and publish rules and regulations governing the use of the Common Area affecting the health, safety and welfare of Owners and authorized guests, as well as good stewardship of the Common Area and its Improvements;

(b) the right of the Association to suspend the right of use of the Common Area and the voting rights of any Owner for any period during which any Assessment against the subject Owner's Lot remains unpaid beyond the period in which such Assessment is due and for any period during which the Owner is in violation of this Declaration and/or any La Ventana Rules;

(c) the right of the Association, subject to the provisions of this Declaration or any of the Restrictions, to dedicate or transfer all or any part of the Common Area, if any, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by a majority of the votes of the Owners as any vote of the Owners has been recorded according to such dedication or transfer;

(d) the right of the Association to borrow money from any Person for the purpose of improving the Common Area and, in furtherance thereof, mortgage the Common Area, and in accordance with the Articles and Bylaws;

(e) the right of the Association to contract for services or use of Common Area with Declarant or third parties, directly or indirectly, on such terms as the Association may determine; and

(f) all of the rights of the easements granted and provided under this Section 8.12 are easements appurtenant to and running with each Lot; and any such easement shall at all times inure to the benefit of and be binding upon Declarant, each Owner and all their respective grantees, heirs, successors, personal representatives or assigns, perpetually and in full force.

8.13 Title to Common Area. All Common Area shall be dedicated and conveyed to the Association, which shall thereafter be responsible for its operation and maintenance. The Common Area shall be conveyed to and accepted by the Association on or before the completion of all construction with respect thereto or at such other times and from time to time as the Declarant may determine to be appropriate. Declarant reserves the right to amend the boundaries of all Common Area in accordance with Paragraph 10.1 herein. Further, in the event additional land is added to the Subdivision in accordance with Paragraph 2.2 herein, Declarant shall, in fact, amend the boundaries of the Common Areas in order to accommodate such addition.

8.14 Damages. Each Owner and each lessee of any Owner shall be liable to the Association for any damage to Association Property which may be sustained by reason of the negligent or intentional misconduct of such persons of his family, guests or invitees. If the property, the ownership or leasing of which entitles the member or lessee thereof to use Association property, is owned or leased jointly or in common, all of such joint or common owners or lessees shall be jointly and severally liable hereunder. The amount of such damage may be assessed against such person's or entity's real and personal property on or within the Property, including the leasehold property on or within the Property, including the leasehold estate of any lessee or the lessor of such lessee, and may be collected as provided herein for the collection of Assessments.

8.15 Damage and Destruction. In case of destruction of or damage to Association Property by fire or casualty, the available insurance proceeds, if any, shall be paid to the Association, which shall contract to repair or rebuild the Association Property so damaged. Should insurance proceeds be insufficient to pay all of the costs of repairing or rebuilding the damaged property, the Association may levy a special assessment to recover any deficiency. If the Board determines not to rebuild any property so destroyed or damaged, or to build facilities substantially different from those which were destroyed or damaged, it shall call a special meeting of the Members to consider such decision. If the Members of the Association, by seventy-five percent (75%) of the votes cast at such meeting, elect to ratify such decision, the Board shall act accordingly, but if the Members do not by such percentage elect to ratify such decision, the Board shall proceed to repair or rebuild the damaged facility with payment therefor to be made as set forth in this Section. Owners should be aware of the risk that flood insurance for certain Improvements in the Common Area may not be obtainable and the costs associated with such possible loss.

8.16 The Private Roads. Declarant reserves for itself, the Association, each Owner, and the respective employees, agents, representatives, guests, contractors, and other invitees of the Association and the Owners (hereinafter collectively called the "Private Roads Users" and individually called a "Private Roads User") the right of access to the Private Roads, and a nonexclusive easement on, over, across and with respect to the Private Roads for the use and enjoyment of the Private roads for vehicular and pedestrian access to the Lots, the other Common Areas, and the remainder of the Property. Notwithstanding anything in this Declaration to the contrary, in no event shall any Private Roads User be permitted to use or enjoy the Private

Roads in any manner which is prohibited by or which would violate a Governmental Requirement or any Rules. Additionally, no Private Roads User may in any way or manner remove, alter, damage or destroy any portion of the Private Roads. The Association shall have the power and authority to promulgate rules regarding the use and enjoyment of the Private Roads by the Private Roads Users and shall have the power and authority to enforce such rules regarding the use and enjoyment of the Private Roads. Subject to the terms and provisions of this Declaration and to the Rules promulgated by the Association with respect to the use and enjoyment of the Private Roads, all Private Road Users shall have access to the Private Roads and shall have ingress and egress to the Private Roads for the purposes provided above. Declarant reserves for itself and the Association (and the respective employees, agents contractors, and representatives of Declarant and the Association) an easement on, over, across and under the Private Roads for the purpose of constructing, installing, maintaining, repairing, and replacing any Private roads and maintaining, policing and protecting the Private Roads. No Owner or other Private Roads User shall be permitted to place any Improvements on any portion of the Private Roads. Neither Declarant nor the Association shall be liable for any damage done by either them or their assigns, agents, employees, contractors or servants to any landscaping, Improvements or other property of any Owner or Person in connection with the construction, installation, repair, maintenance, replacement, policing and protecting of the Private Roads. Declarant will convey the Private Roads to the Association as part of the Common Areas, subject to the conditions, covenants, restrictions, easements, terms and conditions of this Declaration and to any and all easements, restrictions, and other encumbrances of record in the Official Public Records of Hays County, Texas, to the extent in force and effect and binding on the Private Roads.

8.17 Maintenance, Operation and Repairs of Private Roads. Following substantial completion and conveyance to the Association by Declarant of the Private Roads, the utilities and improvements required to be constructed in connection with the approval of the Plat by Governmental Authority, and the other Common Area and Facilities, the Association (a) shall be solely and exclusively responsible for the maintenance, repair, replacement management, operation and condition of the Private Roads, (b) shall at all times maintain, repair and replace the Private Roads in good repair and order, (c) shall manage, operate and oversee the Private Roads in a manner complying with the provisions of this Declaration, all applicable Rules, and Governmental Requirements which may be imposed at any time, from time to time, by any Governmental Authority, and (d) is and shall be authorized to promulgate and adopt Rules concerning the use, enjoyment, operation, management, maintenance, repair, replacement and improvement of the Private Roads, subject to the terms and conditions of this Declaration. The Association may establish a Private Roads maintenance reserve fund as deemed necessary by the Board.

ARTICLE IX CENTRAL PROPANE GAS SYSTEM

9.1 Gas System. The Southern Union Gas Company ("SUG") and Declarant have entered into that certain Propane System Installation Agreement ("Propane Agreement") dated July 2, 1999 (including any amendments thereto) to provide propane gas from a centrally installed propane gas system (the "Gas System") to at least the Lots initially developed by Declarant. Declarant believes that as a whole, it is economic and convenient to use gas and that the economic feasibility of the construction and operation of the Gas System requires that all dwellings constructed within the Property use propane gas for space heating, water heating, and cooking. The Declarant may participate in profits, if any, with SUG.

9.2 Propane Use Requirement. All Main Houses must install or use only gas-fired water heaters and furnaces ("Propane Appliances"). Additionally, all Builders and Owners shall install gas hook-ups for ranges that are installed in all Main Houses. Such gas plumbing shall meet the specifications required by applicable building codes and all other applicable governmental requirements for natural gas and propane at the time of installation. All Propane Appliances installed in new homes on the Property shall be installed in accordance with the requirements of the Gas Services Division of the Texas Railroad Commission and all

other applicable governmental requirements and regulations. Upon the purchase of each Lot, each Owner shall pay to SUG a fee in accordance with the Propane Agreement ("System Fee").

9.3 Waiver of Propane Use Requirement. Any Owner of any Lot located on the Property shall be released from the propane use requirements designated above upon payment to the in the amount as specified in the Propane Agreement (Propane Use Requirement Waiver Fee). Such Propane Use Requirement Waiver Fee is in addition to the System Fee described in Section 9.2.

9.4 Community Pool. Any heated pool constructed on the Property for community use must be constructed with and use Gas Appliances to heat the pool's water.

9.5 Gas Tanks. No above ground propane gas tank may be maintained on the Property except (i) the central propane storage tank to be maintained by SUG pursuant to the Propane Agreement and (ii) outdoor barbecue grill portable propane tanks.

ARTICLE X MISCELLANEOUS

10.1 Powers of Declarant. Notwithstanding anything in this Declaration to the contrary, so long as Declarant owns any Lot and/or Undeveloped Lot, each Owner, by acceptance of record title conveying a Lot to such Owner, does hereby irrevocably constitute and appoint Declarant, its true and lawful attorney-in-fact and agent to execute, acknowledge, verify, swear to, deliver, record and file in that Owner's name, Place and stead all instruments, documents and certificates which may from time to time be required in order to affect any amendment, correction, vacating, replating or other modification of the Plat, provided that (i) the boundaries and contours of such Owner's Lot are not in any way changed, altered or modified; (ii) access to such Owner's Lot from a public street or from Private Roads is not changed or altered in any material respect; (iii) the public utility services to such Owner's Lot are not materially and adversely altered; and (iv) no costs or expenses are imposed on such Owner. In furtherance of this appointment, each Owner agrees to join in the execution, upon request of Declarant, of any instrument required to acknowledge such authorization and/or affect any such amendment, vacating, replating or other modification of the Plat.

10.2 Term. This Declaration, including, all of the covenants, conditions, and restrictions hereof, shall continue in force and effect until December 31, 2025, unless amended as herein provided. After December 31, 2025, this Declaration, including all such covenants, conditions and restrictions, shall be automatically extended for successive periods of ten (10) years each, unless extinguished by a written instrument executed by Owners entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast pursuant to the Bylaws (Exhibit "C" attached hereto). Any and all rights granted to Declarant or any utility provider shall continue in effect after the extinguishment of this Declaration.

10.3 Amendment.

(a) By Declarant. This Declaration may be amended by Declarant acting alone until such time as Declarant has conveyed by deed four hundred (400) Lots; thereafter, Declarant shall be entitled to amend this Declaration only with the written approval of a majority of the Class A Votes, described in the Bylaws (Exhibit "C" attached hereto). No amendment by Declarant shall be effective until there has been recorded in the Real Property Records of Hays County, Texas, an instrument executed and acknowledged by Declarant and setting forth the Amendment. An amendment made by Declarant pursuant to this Section 10.3 shall not adversely affect the value of the Lots and shall maintain the quality of the Subdivision. No Amendment may place additional restrictions on a Lot already sold or remove variances previously granted without the express written consent of the Owner of the affected Lot.

(b) By Owners. After Declarant has conveyed by deed four hundred (400) Lots, this Declaration may be amended by recording in the Hays County, Texas Real Property Records an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the Amendment and certifying that such Amendment has been approved by Owners entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast pursuant to the Bylaws (Exhibit "C" hereto).

10.4 Notice. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the person at the address given by such person to the Association for the purposes of service of notices, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing given by such person to the Association.

10.5 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the improvement and operation of the Subdivision and of promoting an effectuating the fundamental concepts of the Subdivision set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

10.6 Exemption of Declarant. Notwithstanding any provision in this Declaration to the contrary, neither Declarant nor any of Declarant's activities shall in any way be subject to the control of or under the jurisdiction of the Architectural Committee. Without in any way limiting the generality of the preceding sentence, this Declaration shall not prevent or limit the right of Declarant to excavate and grade, to construct and alter drainage patterns and facilities, to construct any and all other types of Improvements, sales and leasing offices and similar facilities, and to post signs incidental to construction, sales and leasing anywhere within the Property; provided, however, the construction of sales and leasing offices and the posting of signs advertising the sale and leasing of Lots by Declarant shall be limited to Lots, other Property owned by Declarant and Common Area.

10.7 Assignment by Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other person or entity and may permit the participation, in whole or in part, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

10.8 Enforcement and Non-Waiver.

(a) Right of Enforcement. Except as otherwise provided herein, any Owner at his own expense, or the Committee, the Board, or Declarant, at the expense of the Association, shall have the right to enforce all of the provisions of this Declaration. Such right of enforcement shall include both damages for, and injunctive relief against, the breach or threatened breach of any such provision.

(b) Non-Waiver. The failure to enforce any provision of this Declaration at any time shall not constitute a waiver of the right hereafter to enforce any such provision or any other provision of said Declaration.

(c) Liens. The Association shall have the right, when appropriate in its judgement, to claim or impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right or effect compliance in this Declaration.

10.9 Construction.

(a) Restrictions Severable. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

(b) Singular Includes Plural. Unless the context requires contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.

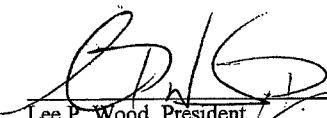
(c) Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

(d) No Oral Representations. This Declaration shall govern and supercede any and all oral/verbal representations made concerning the matters contained herein.

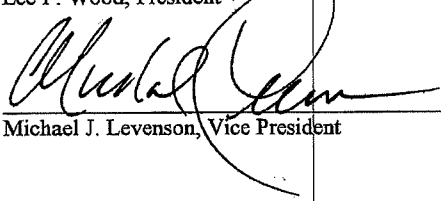
26 IN WITNESS WHEREOF, Declarant has executed this Declaration as of this
day of Sept., 2002.

DECLARANT:
LA VENTANA DRIFTWOOD, L.P.
A Texas Limited Partnership

By: FOURSTAR RESIDENTIAL RANCHES, L.L.C., its general partner



Lee P. Wood, President

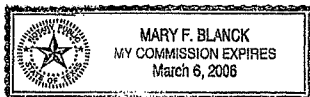


Michael J. Levenson, Vice President

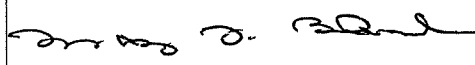
STATE OF TEXAS)

COUNTY OF HAYS)

This instrument was acknowledged before me this 26 day of
Sept., 2002, by Lee P. Wood and Michael J. Levenson, President and Vice
President of FourStar Residential Ranches, L.L.C., a Texas Limited Liability Corporation,
General Partner of La Ventana Driftwood, L.P., a Texas Limited Partnership, on behalf of said
partnership.



Notary's Printed Name, Seal and
Commission Expiration Date



Notary Public, in and for
The State of Texas

EXHIBIT A
PROPERTY DESCRIPTION

33

ORIGINAL DOCUMENT ILLEGIBLE

A DESCRIPTION OF A 586.38 ACRE TRACT OF LAND WHICH COMPRISES PORTIONS OF THE FOLLOWING SURVEYS SITUATED IN HAYS COUNTY, TEXAS:

PETER TURNER SURVEY NO. 206, ABSTRACT NO. 459, AND

ISAAC PEARSON SURVEY NO. 60, ABSTRACT NO. 370;

BEING THAT CERTAIN 109.473 ACRE TRACT OF LAND CONVEYED FROM SYDNEY HALL, ET UX TO GEORGE S. HINKLE, JR. BY A WARRANTY DEED WITH VENDOR'S LIEN RECORDED IN VOLUME 616, PAGE 463 ET SEQ. OF THE DEED RECORDS OF SAID COUNTY, THAT CERTAIN 76 ACRE TRACT CONVEYED FROM PAT H. ROBERTSON TO THE SAID GEORGE S. HINKLE, JR. BY A WARRANTY DEED RECORDED IN VOLUME 371, PAGE 109 ET SEQ. OF THE SAID DEED RECORDS AND THAT CERTAIN 476.73 ACRE TRACT (GROSS ACRES) CONVEYED FROM THE SAID PAT H. ROBERTSON, ET UX TO THE SAID GEORGE S. HINKLE, JR. BY A WARRANTY DEED RECORDED IN SAID VOLUME 371, PAGE 112 ET SEQ. OF THE SAID DEED RECORDS; SAID 586.38 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 1/2 inch iron rod found at the northeast corner of the said 109.473 acre tract, being at the northwest corner of that certain tract described in Volume 212, Page 369 et seq. of the said Deed Records and being on the south line of County Road 170, for the northeast corner hereof;

THENCE with the west line of the said 109.473 acre tract, the following four (4) courses:

1. S 02° 39' 42" E, a distance of 2161.40 feet along a fenceline to a 60d nail found in a fence post,
2. S 06° 45' 29" E, a distance of 317.21 feet to a 60d nail set at a fence post, being at the southwest corner of the said tract in Volume 212, Page 369 and northwest corner of that certain 1653.66 acre tract described in Volume 153, Page 138 et seq. of the said Deed Records,
3. S 03° 30' 29" W, a distance of 34.69 feet to a 1/2 inch iron rod found, and
4. S 00° 03' 43" W, a distance of 117.33 feet to an 8 inch diameter Cedar fence post found at the southeast corner of the said 109.473 acre tract and northeast corner of the said 476.73 acre tract, for a corner on the east line hereof;

THENCE with the east line of the said 476.73 acre tract, S 00° 23' 54" E, a distance of 6770.15 feet along a fenceline to a 1/2 inch iron rod found at the base of a fence post at the southeast corner thereof, being at the northeast corner of that certain 489.90 acre tract described in Volume 222, Page 22 et seq. of the said Deed Records, for the southeast corner hereof;

THENCE with the south line of the said 476.73 acre tract, the following seven (7) courses:

1. S 86° 11' 20" W, a distance of 218.33 feet along a fenceline to an 8 inch diameter Cedar fence post found,
2. S 54° 09' 46" W, across a bluff, a distance of 96.34 feet to a 36 inch diameter Elm tree found,
3. N 32° 20' 38" W, a distance of 29.50 feet to a 12 inch diameter Cedar fence post found,
4. N 89° 38' 53" W, a distance of 560.02 feet along a fenceline to a 15 inch diameter Liveoak tree found,
5. S 89° 43' 16" W, crossing Flat Creek, a distance of 692.84 feet along a fenceline to a 6 inch diameter Cedar fence post found,
6. S 78° 36' 04" W, a distance of 200.33 feet along a fenceline to an 8 inch diameter Cedar fence post found,
7. S 89° 23' 39" W, a distance of 40.87 feet along a fenceline to a 1/2 inch iron rod set at the base of a fence post at the northwest corner of the said 489.90 acre tract, being on the east line of Tract 76 in the Rainbow Ranch Subdivision, an unrecorded plat in said County, for a corner on the south line of the said 476.73 acre tract and hereof;

THENCE with a lower west line of the said 476.73 acre tract, $N 01^{\circ} 48' 44'' W$, a distance of 41.46 feet along a fence line to a 1/2 inch iron rod found at the base of a fence post at a reentrant corner thereof, being at the northeast corner of said Tract 76, for a reentrant corner hereof;

THENCE with the westerly south line of the said 476.73 acre tract, $S 89^{\circ} 39' 52'' W$, a distance of 1349.68 feet along a fence line to a 1/2 inch iron rod found at the base of a fence post at the southwest corner thereof, being at the southeast corner of Tract 11 in the Panther Creek Subdivision, a plat of record in Volume 7, Page 361 of the Plat Records of said County, for the southwest corner hereof;

THENCE with the west line of the said 476.73 acre tract and east line of the said Panther Creek Subdivision, $N 00^{\circ} 36' 36'' W$, at a distance of 1532.17 feet the northeast corner of said Tract 11 and southwest corner of Tract 12 in said Panther Creek, continuing for a total distance of 2867.73 feet to a 1/2 inch iron rod found at a fence post at the northeast corner of said Tract 12 and southeast corner of that certain 169.99 acre tract described in Volume 1261, Page 262 et seq. of the Official Public Records of said County, for a corner on the west line hereof;

THENCE continuing with the said west line of the 476.73 acre tract and east line of the said 169.99 acre tract, as fenced, the following two (2) courses:

1. $N 00^{\circ} 31' 33'' W$, a distance of 467.86 feet along a fence line to a 6 inch diameter Cedar fence post found, and
2. $N 00^{\circ} 50' 06'' W$, a distance of 2504.15 feet along a fence line to a 3/8 inch iron rod found at a fence post at the westerly northwest corner of the said 476.73 acre tract, being at the northeast corner of the said 169.99 acre tract and being at the southeast corner of that certain 25.00 acre tract described in Volume 320, Page 709 et seq. of the said Deed Records and at the south corner of that certain 11.47 acre tract described in Volume 288, Page 69 et seq. of the said Deed Records, for the westerly northwest corner hereof;

THENCE with the northwesterly line of the said 476.73 acre tract, $N 47^{\circ} 05' 00'' E$, a distance of 1953.47 feet along a fence line to a 1/2 inch iron rod found at a fence post at a reentrant corner of the said 476.73 acre tract, being at the east corner of the said 11.47 acre tract and at the southeast corner of that certain 25.00 acre tract described in Volume 320, Page 713 et seq. of the said Deed Records, for a reentrant corner hereof;

THENCE with the upper west line of the said 476.73 acre tract, $N 09^{\circ} 27' 57'' W$, a distance of 2515.37 feet along a fence line to a 1/2 inch iron rod set at the northwest corner thereof, being at the northeast corner of the said 25.00 acre tract described in Volume 320, Page 713 and being on the said south line of County Road 170, for the northwest corner hereof;

THENCE with the north line of the said 476.73 acre tract, and continuing with the north line of the said 109.473 acre tract, being along the said south line of County Road 170, the following two (2) courses:

1. $N 79^{\circ} 51' 57'' E$, at a distance of 50.01 feet passing the northeast corner of the said 476.73 acre tract and northwest corner of the said 109.473 acre tract, continuing for a total distance of 223.42 feet to a 1/2 inch iron rod set, and
2. $N 87^{\circ} 37' 56'' E$, a distance of 1802.90 feet to the POINT OF BEGINNING, containing 586.38 acres of land, more or less.

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this description and accompanying plat were prepared from an on the ground survey made under my direction and supervision.

SULTEMEIER SURVEYING
304 East Main
Johnson City, TX 78636
(830) 868-7308



Dale Allen Sultemeier
Dale Allen Sultemeier
Registered Professional Land
Surveyor
No. 4542 - State of Texas

Doc Bk Vol Pg
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Doc Bk Vol Pg
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32.11 ACRES
HAYS COUNTY, TEXAS

FN 2774C
APRIL 21, 2000

LA VENTANA WEST

A DESCRIPTION OF A 32.11 ACRE TRACT OF LAND OUT OF THE ISAAC PEARSON SURVEY NO. 80, ABSTRACT NO. 370, SITUATED IN HAYS COUNTY, TEXAS; BEING PART OF THAT CERTAIN 169.99 ACRE (DEED/CALLED ACREAGE) TRACT DESCRIBED IN A EXCHANGE GENERAL WARRANTY DEED RECORDED IN VOLUME 1261, PAGE 257 ET SEQ. OF THE OFFICIAL PUBLIC RECORDS OF SAID COUNTY; SAID 32.11 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at a 1/4 inch iron rod found at the southeast corner of the said 169.99 acre tract, being at the northeast corner of tract 12 in the Panther Creek Subdivision, a plat of record in Book 7, Page 361 et seq. of the Hays County Plat Records and being on the west line of La Ventana, a plat of record in Book 9, Page 71 et seq. of the said Hays County Plat Records, for the southeast corner hereof;

THENCE with the east line of the said 169.99 acre tract, N 00° 43' 22" W, a distance of 1626.30 feet along a fence line to a 3/8 inch iron rod set for the northeast corner hereof;

THENCE departing from said east line and passing over and across the said 169.99 acre tract with the following three (3) courses:

1. S 89° 43' 58" W, a distance of 860.19 feet to a 3/8 inch iron rod set for the northwest corner hereof,
2. S 00° 00' 00" W, a distance of 903.07 feet to a 3/8 inch iron rod set, and
3. S 00° 58' 54" E, a distance of 694.89 feet to a 1/4 inch iron rod found on the south line of the said 169.99 acre tract, being at the common north corner of Tract 12 and Tract 13 in said Panther Creek, for the southwest corner hereof;

THENCE with the said south line of the 169.99 acre tract, S 88° 23' 49" E, a distance of 869.13 feet to the POINT OF BEGINNING, containing 32.11 acres of land, more or less.

Recorder's Note:
ORIGINAL DOCUMENT ILLEGIBLE

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this description and accompanying plat was prepared from an on the ground survey made under my direction and supervision.

SUTTEMEIER SURVEYING
304 East Main
Johnson City, TX 78636
(830) 868-7308



Dale Allen Sultemeier
Dale Allen Sultemeier
Registered Professional Land
Surveyor
No. 4542 - State of Texas

15.82 ACRES
HAYS COUNTY, TEXAS

FN 27748
APRIL 21, 2000

LA VERGANA WEST

A DESCRIPTION OF A 15.82 ACRE TRACT OF LAND OUT OF THE ISAAC PEARSON SURVEY NO. 80, ABSTRACT NO. 370, SITUATED IN HAYS COUNTY, TEXAS; BEING PART OF THAT CERTAIN 169.99 ACRE (DEED/CALLED ACREAGE) TRACT DESCRIBED IN A EXCHANGE GENERAL WARRANTY DEED RECORDED IN VOLUME 1261, PAGE 257 ET SEQ. OF THE OFFICIAL PUBLIC RECORDS OF SAID COUNTY; SAID 15.82 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING FOR REFERENCE at a 1/4 inch iron rod found on the west line of the said 169.99 acre tract at the southeast corner of a 118.02 acre (deed/called acreage) tract of land described in Volume 1261, Page 288 et seq., being at the northeast corner of Tract 14 in the Panther Creek Subdivision, a plat of record in Book 7, Page 361 et seq. of the Hays County Plat Records;

THENCE passing over the said 169.99 acre tract, S 88° 20' 32" E, a distance of 388.95 feet to a 3/8 inch iron rod set for the west corner and POINT OF BEGINNING hereof;

THENCE continuing over the said 169.99 acre tract with the following seven (7) courses:

1. S 88° 20' 32" E, a distance of 1253.94 feet to a 3/8 inch iron rod set for the southeast corner hereof,
2. N 00° 00' 00" W, a distance of 903.07 feet to a 3/8 inch iron rod set for the northeast corner hereof,
3. S 89° 43' 57" W, a distance of 465.79 feet to a 3/8 inch iron rod set for the northwest corner hereof,
4. S 09° 16' 03" W, a distance of 383.77 feet to a 3/8 inch iron rod set,
5. S 70° 59' 21" W, a distance of 324.19 feet to a 3/8 inch iron rod set,
6. S 53° 37' 41" W, a distance of 305.43 feet to a 3/8 inch iron rod set, and
7. S 41° 02' 58" W, a distance of 264.05 feet to the POINT OF BEGINNING, containing 15.82 acres of land, more or less.

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Jan 19, 2001 at 01:40P

Document Number: 01001638

Amount 21.00

Lee Carlisle
County Clerk
By
Bobbie Coley, Deputy
Hays County

Recorder's Note:
ORIGINAL DOCUMENT ILLEGIBLE

I, Dale Allen Sultemeier, a Registered Professional Land Surveyor, do hereby certify that this description was prepared from an on the ground survey made under my direction and supervision.

SULTEMEIER SURVEYING
304 East Main
Johnson City, TX 78636
(830) 868-7308



Page 1 of 1

Dale Allen Sultemeier
Dale Allen Sultemeier
Registered Professional Land
Surveyor
No. 4542 - State of Texas
Legal & plat prepared

Certification:
True and Correct Copy of Original on
File in: Hays County Clerk's Office
Page 39 of 63

EXHIBIT B

ARTICLES
OF
INCORPORATION

36

FILED
In the Office of the
Secretary of State of Texas

JUL 21 1999

Corporations Section

ARTICLES OF INCORPORATION
OF
LA VENTANA RANCH OWNERS' ASSOCIATION, INC.

The undersigned, being a natural person of the age of eighteen (18) years or more and who is a citizen of the State of Texas, acting as incorporator of a corporation under the Texas Non-Profit Corporation Act, does hereby adopt the following Articles of Incorporation for such corporation:

ARTICLE I

The name of the corporation is LA VENTANA RANCH OWNERS' ASSOCIATION, INC., hereinafter sometimes referred to as the "Corporation".

ARTICLE II

The Corporation is a non-profit corporation, and shall have all the powers specified in and allowable under the Texas Non-Profit Corporation Act. No part of the assets or net earnings of the Corporation shall inure to the benefit of, or be distributable to its members, directors, trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay compensation for services rendered and to make payments and distribution in furtherance of the purposes set forth in Article IV below.

ARTICLE III

The period of the Corporation's duration is perpetual.

ARTICLE IV

The purpose for which the Corporation is organized is for the cooperation of members of the Corporation for the enhancement, preservation, protection and maintenance of La Ventana, a master-planned residential community located in Hays County, Texas (the "Subdivision"). In order to carry out such general purpose, the Corporation shall have the general power to: (i) fix assessments (or charges) to be levied against lots within the Subdivision and establish services without the obligation to be provided for the benefit of the members of the Corporation; (ii) enforce the Declaration of Covenants, Conditions and Restrictions for the Subdivision (the "Declaration") to be recorded in the Official Public Records of Real Property of Hays County, Texas, and any and all agreements applicable to the Subdivision; (iii) insofar as permitted by law, these Articles of Incorporation, the Bylaws, the Declaration and any other agreements or dedicatory instruments applicable to the Subdivision, to do any other thing of a similar nature that will promote the common benefit and enjoyment of the owners of lots within the Subdivision, as authorized by the Articles of Incorporation, Bylaws, Declaration, any other agreement or dedicatory instrument, or by applicable law; and (iv) enter into a contract with (a) La Ventana Driftwood, LP (acting through its

HOU03:146492

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general partner, FourStar Residential Ranches, LLC), (b) an affiliate of La Ventana Driftwood, LP, or © another third-party (and such party's successors and assigns), for the management, operation, maintenance or other responsibility, either in whole or in part, of the Subdivision and the performance of the powers and duties, either in whole or in part, of the Corporation. The Corporation is organized pursuant to the Texas Non-Profit Corporation Act and does not contemplate pecuniary gain or profit to the members thereof and is organized for non-profit purposes, and nothing contained in the foregoing statement of purposes shall be construed to authorize the Corporation to carry on any activity for the profit of its members, or to distribute any gains, profits or dividends to its members as such.

ARTICLE V

The mailing address of the initial registered office of the Corporation is c/o FourStar Residential Ranches, LLC, 1501 Elder Hill Road, Driftwood, Texas 78619, and the name of its initial registered agent at such address is Lee P. Wood.

ARTICLE VI

The Corporation shall be a membership corporation without certificates or shares of stock. All owners, by virtue of their ownership of a lot within the Subdivision, are members of the Corporation. The members shall be divided into classes and entitled to vote in accordance with the provisions contained in the Bylaws and in the Declaration.

ARTICLE VII

The business and affairs of the Corporation shall be conducted, managed and controlled by a board of directors. The board may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine. The number of directors constituting the initial board of directors is three (3), and the names and addresses of the persons who are to serve as directors are:

1. Michael J. Levenson - 1501 Elder Hill Rd., Driftwood, TX 78619.
2. Benjamin A. Levenson - 1501 Elder Hill Rd., Driftwood, TX 78619.
3. Lee P. Wood - 1501 Elder Hill Rd., Driftwood, TX 78619.

ARTICLE VIII

To the fullest extent permitted by applicable law, as the same exist or as they may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a director of the Corporation

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shall not be liable to the Corporation for monetary damages for an act or omission in the director's capacity as a director. Any amendment of these Articles of Incorporation shall be prospective only and shall not adversely offset any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or amendment. In addition, the Corporation shall be entitled to indemnify its directors, officers, employees and/or members, the Subdivision manager (and its constituent partners and their respective directors, officers, employees, shareholders and/or members), Declarant and others acting on the ROA's behalf, including, without limitation, members of any architectural review committee or other similar committee and any third-party agents and contractors, to the fullest extent allowed by applicable law.

ARTICLE IX

The Corporation may be dissolved only as provided in the Bylaws and by the laws of the State of Texas.

ARTICLE X

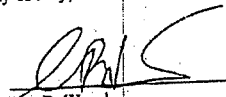
The internal affairs of the Corporation shall be regulated by the Bylaws. The Bylaws of the Corporation shall be adopted by the board of directors of this Corporation and shall thereafter be amended, altered or repealed by a vote of the board of directors of the Corporation as provided in the Bylaws.

ARTICLE XI

The name and address of the incorporator of the Corporation is:

Lee P. Wood
PO Box 250
Driftwood, TX 78619

IN WITNESS WHEREOF, I, the undersigned incorporator of the Corporation, executed these Articles of Incorporation this 22nd day of July, 1999.



Lee P. Wood

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EXHIBIT C

BYLAWS
OF

LA VENTANA RANCH OWNERS' ASSOCIATION, INC.

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FIRST AMENDED BYLAWS
OF
LA VENTANA RANCH OWNERS' ASSOCIATION, INC.

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**FIRST AMENDED BYLAWS
OF
LA VENTANA RANCH OWNERS' ASSOCIATION, INC.**

ARTICLE I

Name, Principal Office, and Definitions

- A. Name. The name of the corporation shall be La Ventana Ranch Owners' Association, Inc. ("ROA").
- B. Principal Office. The principal office of the ROA initially shall be located at 1501 Elder Hill Road, Driftwood, Texas 78619.
- C. Definitions. Capitalized terms used but not defined in these Bylaws shall have the same meanings as set forth in that Declaration of Covenants Conditions and Restrictions for La Ventana recorded in the Official Public Records of Real Property of Hays County, Texas (said Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"). La Ventana Ranch Owners' Association, Inc. shall be referred to herein as "ROA" or the "Association".

ARTICLE II

ROA: Membership, Meetings, Quorum, Voting, Proxies

- A. Membership. The ROA shall have two (2) classes of membership, Class "A" and Class "B". All Owners of Lots shall be Members of the ROA.
- Section 1. "Class "A" Members" shall be all Members with the exception of the Class "B" Member. Each Class "A" Member shall be entitled to one (1) vote per Lot owned by such Class "A" Member (the "Class "A" Votes").
- Section 2. The sole "Class "B" Member" shall be the Declarant - La Ventana Driftwood, LP (acting through its general partner, FourStar Residential Ranches, LLC) - and its successor and assigns. The Class "B" Member shall be entitled to four (4) votes per Lot owned by the Class "B" Member (the "Class "B" Votes").
- B. Place of Meetings. Meetings of the ROA shall be held at the principal office of the ROA or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

C. Annual Meetings. The first meeting of the Members of the ROA, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the ROA. Subsequent regular annual meetings shall be set by the Board of Directors.

D. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the ROA if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least thirty-three percent (33%) of the total Class "A" Votes. Any such petition shall include a statement as to all items expected to be presented at such special meeting. Such petition shall only be valid if the matter(s) to be presented are matter(s) which Members are entitled to vote on pursuant to Article II, Section H, below. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof.

E. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. Such notice shall contain an agenda for such meeting. In the case of a special meeting or when required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as authorized and as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail first class addressed to the Member at his or her address as it appears on the records of the ROA, with postage thereon prepaid.

F. Waiver of Notice. Waiver of notice of a meeting of the ROA shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the ROA, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised in writing before the business is put to a vote.

G. Adjournment of Meetings. If any meeting of the ROA cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, in person (or by proxy), may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

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H. Voting. The voting rights of the Members shall be as set forth herein and in the Declaration. Each Class A Member as of the date of the notice of such meeting shall be entitled to one vote at such meeting, such notice date being the date of record for purposes of these Bylaws. Except as otherwise specifically provided herein or in the Declaration, the votes allocated to each Lot shall be cast only by the Owner of such Lot, or his or her proxy, as more particularly provided herein or in the Declaration. The Members shall have the right to vote only on the following matters: 1) Nomination and election of the Board (requiring a majority) ; 2) Removal of Directors (requiring a majority) ; 3) Amendment of the Declaration in accordance with the terms of the Declaration ; 4) Mergers, dissolution or sale of substantially all of ROA assets (requiring two thirds of the total eligible number of votes) ;and 5) Any other matter(s) authorized by the Declaration. Any Member who is delinquent in the payment of any ROA assessment or is otherwise in violation of any of the terms of the Declaration or of the ROA rules and regulations as of the date of record (for which violation written notice had been delivered by the ROA to such Member prior to the date of record) shall not be entitled to vote at such meeting. Class B Member(s) may vote at such meeting in accordance with Article II, A, Section 2 of these Bylaws.

I. Joint or Common Ownership. Any Property interest entitling Member(s) thereof to vote as herein provided, jointly or in common by more than one Person, shall require Member(s) to designate, in writing, the individual Person or Member who shall be entitled to cast such vote(s) and no other Person shall be authorized to vote on behalf of such Property interest. A copy of such written designation shall be filed with the Secretary of the Board before any such vote may be cast, and upon the failure of Member(s) thereof to file such designation, such votes shall neither be cast nor counted for any purpose whatsoever.

J. Majority. As used in these Bylaws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total eligible number of votes.

K. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence in person or by proxy of Members representing ten percent (10%) of the total eligible votes in the ROA (i.e., Class "A" Votes plus Class "B" Votes) shall constitute a quorum at all meetings of the ROA.

L. Conduct of Meetings. The President shall preside over all meetings of the ROA, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting and all transactions occurring at the meeting.

M. Action Without a Meeting. Any action required by law to be taken at a meeting of the ROA or any action that may be taken at a meeting of the ROA, may be taken without a meeting if written consent setting forth the action so taken is signed by the Owners of two thirds of the total eligible number of votes with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

N. Proxies. At all meetings of the ROA, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his or her Lot.

ARTICLE III

Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body, Composition. The affairs of the ROA shall be governed by a Board of Directors, each of whom shall have one (1) vote. After Class "B" Membership ceases to exist, all directors must be Members. However, so long as Class "B" Membership exists, directors are not required to be Members. In the case of a Member that is a corporation or partnership, the person designated in writing by either proxy or a resolution to the Secretary of the ROA as the representative of such corporation or partnership shall be eligible to serve as a director.

Section 2. Directors During Class "B" Membership Existence.

(a) During the existence of Class "B" Membership, the Class "B" Member shall retain control and authority to appoint all members of the Board of Directors of the ROA. Class "B" Membership ceases on January 1, 2020 or when eighty percent (80%) of all Lots and Undeveloped Lots are sold and closed, whichever occurs later or at any earlier time as may be determined by the Class "B" Member. At such time, the Class "B" Votes of the Class "B" Member shall be converted to Class "A" Votes.

Section 3. Number of Directors. The number of directors of the ROA shall be not less than three (3) nor more than nine (9), as provided in Section 5 below. The initial Board shall consist of three (3) members as identified in the Articles of Incorporation. After Class "B" Membership ceases to exist, the Board shall consist of not less than seven (7) directors.

Section 4. Nomination and Election of Class "A" Directors After Class "B" Membership Ceases To Exist.

(a) Once Class "B" Membership ceases to exist, nominations for election of Directors to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of the Chairman of the Board of Directors, and three (3) or more Class "A" Members of the ROA elected by Class "A" Members. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the ROA to

serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting.

(b) Elections of Directors to the Board of Directors shall be by secret written ballot at annual meetings of the ROA. At such election, the Class "A" Members or their proxies may cast, in respect to each vacancy as many Class "A" Votes as they are entitled to exercise under the provisions of these Bylaws. The person(s) receiving a majority of Class "A" Votes shall be elected. No cumulative voting shall be permitted.

Section 5. Term of Office; Removal of Directors and Vacancies.

(a) The term of the initial three (3) Directors shall expire on June 30, 2003. Any vacancy created during the term of any Director may be filled by appointment by the Class "B" Member.

(b) Thereafter, at each annual meeting of the Members held during the period of Class "B" Membership, the Class "B" Member shall appoint the applicable number of Directors to serve for the following calendar year. All Directors shall serve one (1) year terms from July 1st to June 30th. Directors may be reappointed and/or reelected, as applicable.

(c) Any director appointed by the Class "B" Member may be removed, with or without cause, by the Class "B" Member. Upon removal of a director appointed by the Class "B" Member, the Class "B" Member shall appoint a successor to fill the vacancy for the remainder of the term of such director. After Class "B" Membership ceases to exist, a Director who was elected at large by the votes of Class "A" Members may be removed from office prior to the expiration of his or her term only by the votes of a majority of Class "A" Members. Any Director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a Director, a successor shall be elected within thirty (30) days by the Class "A" Members entitled to elect the Director so removed to fill the vacancy for the remainder of the term of such Director.

(d) At each annual meeting of the ROA, immediately following appointment and/or election of the directors (as applicable), the directors shall elect (by a majority vote of the directors) a Chairman who will preside over all Board of Director meetings held during the following calendar year.

B. Meetings.

Section 1. Organizational Meetings. The first meeting of the Board of Directors following each annual meeting of the Membership shall be held within sixty (60) days thereafter at such time and place as shall be fixed by the Chairman of the Board.

Section 2. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Chairman of the Board,

but at least one (1) such meeting shall be held during each fiscal year. Notice of the time and place of the meeting shall be communicated to the directors not less than three (3) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. Board of Director meetings may be conducted by telephone communication provided that all directors are properly notified of such telephonic meeting in accordance with these Bylaws and provided further that all directors who are participating in such telephonic meeting can hear each other for the duration of such telephonic meeting. Alternatively, the Board of Directors may schedule a regular meeting date, place and time and, after forwarding notice of the same, shall not have the obligation to give future notices until a change is made.

Section 3. Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice issued at the request of the Chairman of the Board or by any three (3) directors; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. The notice shall specify the time and place of the meeting. The notice shall be given to each director by one of the following methods: (i) by personal delivery; (ii) written notice by first class mail, postage prepaid; (iii) by telephone communication, facsimile or other such communication methods, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) by telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the ROA. Notices sent by first-class mail shall be deposited into a United States mailbox at least five (5) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

Section 4. Waiver of Notice. The transaction of any meeting (regular or special) of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting in writing before or at its commencement about the lack of adequate notice.

Section 5. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present (or participating, if a telephonic meeting) at a meeting at which a quorum is present (or participating, if a telephonic meeting) shall constitute the decision of the Board of Directors. If any meeting of the Board cannot be held because a quorum is not present (or participating), a majority of the directors who are present (or participating) at such meeting may adjourn the meeting to a time not less than three (3) nor more than thirty (30) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present (or

participating), any business that might have been transacted at the meeting originally called may be transacted without further notice.

Section 6. Compensation. No director shall receive any compensation from the ROA for acting as such; provided, however, that a director may be reimbursed for actual expenses incurred on behalf of the ROA in the performance of his or her duties upon approval of a majority of the other directors.

Section 7. Conduct of Meetings. The Chairman of the Board shall preside over all meetings of the Board of Directors, and a secretary appointed by the Board at such meeting shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

Section 8. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 1. Powers. The Board of Directors shall be responsible for the affairs of the ROA and shall have all of the powers and duties necessary for the administration of the ROA's affairs. The Board of Directors shall delegate to one or more of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager that might arise between meetings of the Board of Directors. In addition to the duties imposed by these Bylaws, Texas law or by any resolution of the ROA that may hereafter be adopted, the Board of Directors shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, to the extent deemed necessary by the Board, if at all, the following, in way of explanation, but not limitation:

(a) entering into a contract with (a) La Ventana Driftwood, LP (acting through its general partner FourStar Residential Ranches, LLC), (b) an affiliate of La Ventana Driftwood, LP, or (c) another third-party (and such party's successors and assigns), for the management, operation, maintenance or other responsibility, either in whole or in part, of the Property and the performance of the powers and duties, either in whole or in part, of the ROA set forth herein;

(b) preparing and adopting of annual budgets;

(c) establishing periodic ROA dues and assessments, establishing the means and methods of collecting such dues and assessments, and establishing the payment schedule for special assessments, if other than annual;

(d) collecting ROA dues and assessments, depositing and investing the proceeds thereof in a bank depository that it shall approve, and using the proceeds to operate the ROA; provided, any reserve fund may be deposited and invested, in the directors' reasonable business judgment, in accounts, securities and/or investments other than bank depository accounts (the Board shall have no liability, either jointly, personally or individually, for the loss of said sums);

(e) accepting, owning and operating, caring, up keeping and maintaining all Common Area including the Private Roads;

(f) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area, in accordance with the other provisions of the Declaration and these Bylaws after damage or destruction by fire or other casualty;

(g) designating, hiring, and dismissing the personnel or contractors necessary for the operation of the ROA and the maintenance, operation, repair, and replacement of the Common Area, and, where appropriate, providing for the compensation of such personnel and for the purchase or rental of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(h) making and amending ROA rules and regulations and those imposed by the Declaration;

(i) opening of bank accounts and investment accounts on behalf of the ROA and designating the signatories required;

(j) enforcing by legal means the provisions of the Declaration, these Bylaws, and the rules and regulations adopted by the ROA and bringing or defending any proceedings that may be instituted on behalf of or against the Owners concerning the ROA;

(k) obtaining and carrying insurance, if available, against casualties and liabilities (including, without limitation, directors and officers liability insurance) with policy limits, coverage and deductibles as deemed reasonable by the Board of Directors and paying the premium cost thereof;

(l) paying the cost of all bills, taxes (real and personal property), assessments and services rendered to the ROA;

(m) keeping books with detailed accounts of the receipts and expenditures affecting the ROA and its administration;

(n) maintaining a membership register reflecting, in alphabetical order, the names, property addresses and mailing addresses of all Members;

(o) making available upon request to any prospective purchaser, any Owner, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Lot, for any proper purpose during normal business hours by advance appointment, copies of the Declaration, the Articles of Incorporation, the Bylaws, ROA rules and regulations governing such Lot and all other books, records, and financial statements of the ROA for a reasonable charge;

(p) permitting utility suppliers, the Declarant and others to use portions of the Common Areas as may be reasonably necessary for the ongoing development or operation of the Subdivision;

(q) leasing any Common Area(s) to third-parties, including Declarant, for a) agricultural purposes and the right to occupy and operate any Common Area(s) for agricultural purposes including, without limitation, the following activities: cultivating the soil, producing crops for human food, animal feed or for the production of fibers; floriculture, viticulture, and horticulture; raising or keeping livestock; raising or keeping exotic animals for the production of human food or of fiber, leather, pelts, or other tangible products having a commercial value; and planting cover crops or leaving land idle for the purpose of participating in any governmental program or normal crop or livestock rotation procedure, b) golf driving range, and c) private entertaining and catering of Members and non-members;

(r) establishing and maintaining wildlife management program(s) within any Common Area(s);

(s) providing or causing to be provided services to Members for a fee and the right to contract with third parties to provide such services;

(t) entering upon any Lot at any time in an emergency, involving an immediate threat of serious injury to persons or property, or in a non-emergency after twenty-four hours written notice, without being liable to any Owner, for the purpose of enforcing the Declaration, maintaining or avoiding any injury to persons or property or repairing any area, Improvement or other facility to conform to the Declaration, reasonably calculated to notify the Owner of the ROA's intentions so as to provide the owner an opportunity to address them prior to such entry. The expense incurred by the ROA in connection with the entry made in accordance herewith upon any Lot and the maintenance and repair work conducted thereon shall be the personal obligation of the Owner of the Lot entered upon, shall be secured by a lien upon the Lot entered upon and the Improvements thereon, and shall be enforced in the same manner and to the same extent as provided in Article VI of the Declaration. The ROA shall have the power and authority from time to time, in its own name and on its own behalf, or in the name of and on behalf of any Owner who consents thereto, to commence and maintain actions and suits to enforce, by mandatory injunction or otherwise, or to restrain and enjoin, any breach or threatened breach of the Declaration. The ROA is also authorized to settle claims, enforce liens and take all such action as it may deem necessary or expedient to enforce the Declaration;

(u) Indemnifying and reimbursing and/or advancing expenses and/or purchasing and maintaining insurance, including errors and omission policies of insurance, or any other arrangement on behalf of any Person who is or was a director or officer of the ROA against any liability asserted against such Person and incurred by such person in such a capacity or arising out of his status as such a Person to the maximum extent permitted by Article 1396 S 2.22A of the Texas Non-Profit Corporation Act, as such Act may from time to time be amended (without regard, however, to Section Q of such Article with respect to officers of the ROA who are not directors of the ROA). Further, the ROA, acting through the Board, may indemnify and agree to reimburse/and/or advance expenses and/or purchase and maintain insurance, including errors and omission policies of insurance, or any other arrangement on behalf of any Person, other than any Person who is a director of the ROA, who is or was an officer, employee or agent of the ROA or a member of the Architectural Committee, or is or was serving at the request of the ROA as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another corporation, partnership, joint venture, sole proprietorship, trustee, employee benefit plan or other enterprise, against any liability incurred against such Person and incurred by such Person in such a capacity or arising out of his status as such a Person, to such extent (or, in the case of officers of the ROA, to such further extent), consistent with applicable law, as the Board may from time to time determine. The provisions of this Section shall not be deemed exclusive of any other rights to which any such Person may be entitled under any section of the Declaration, agreement, insurance policy, vote of Members or otherwise. All costs and expenses of the insurance and other arrangements described herein shall be covered by Assessments; and

(v) Any other power and duty provided for by the Declaration.

Section 2. Management. The Board of Directors may employ for the ROA a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these Bylaws. The Members hereby release the ROA, Declarant and the members of the Board both in their official capacities and individually, from liability for any omission or improper exercise by the Manager of any such duty, power or function so delegated.

Section 3. Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

- (a) Accrual or cash accounting, as defined by generally accepted accounting principles, shall be employed.
- (b) Accounting and controls should conform to generally accepted accounting principles.
- (c) Cash accounts of the ROA shall not be commingled with any other accounts.

(d) No remuneration without full disclosure and prior agreement of the Board of Directors, or as contained in a written management contract, shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the ROA, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the ROA.

(e) Any financial or other interest that any director, Member or the managing agent may have in any firm providing goods or services to the ROA shall be disclosed in advance to the Board of Directors.

(f) Commencing at the end of the quarter in which the first Lot is sold and closed, financial reports shall be prepared for the ROA quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual or cash basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments that remain delinquent.

(g) An annual report consisting of at least the following shall be made available at each meeting of Members to all Members within one hundred twenty (120) days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant.

Section 4. Borrowing. The ROA shall have the power to borrow money from any Person (and may pledge ROA assets as collateral for any such loan) for the purpose of maintenance, repair, restoration of the Common Area, or for any other proper purpose without the approval of the Members of the ROA.

Section 5. Enforcement. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Lot of the violating Owner, and to suspend an Owner's right to vote or limit any person's right to use the Common Area, if any, for violation of any duty imposed under the Declaration, these Bylaws, or any rules and regulations duly adopted by the ROA;

provided, however, nothing herein shall authorize the ROA or the Board of Directors to limit ingress and egress to or from a Lot. In addition, the ROA shall be entitled to suspend any services provided by the ROA to a Lot in the event that the Owner of such Lot is more than thirty (30) days delinquent in paying any assessment due to the ROA. In the event that an occupant, guest or invitee of a Lot violates the Declaration, Bylaws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the ROA. The failure of the Board to enforce any provision of the Declaration, Bylaws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

As provided in the Declaration, any assessment and/or fine not paid by an Owner to the ROA following notice and within applicable cure period(s) may result in a lien being imposed against the Lot, which can be acted upon and/or foreclosed by the ROA. In addition, the ROA, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these Bylaws, or the rules and regulations of the ROA by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations and perform exterior maintenance) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, fines, costs to repair, including reasonable attorneys' fees actually incurred.

ARTICLE IV

Officers

A. Officers. The officers of the ROA shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

B. Election, Term of Office and Vacancies The officers of the ROA shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the ROA. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

C. Removal. Any officer may be removed, with or without cause, by a majority vote of the Board of Directors whenever in its judgment the best interests of the ROA will be served thereby.

D. Powers and Duties. The officers of the ROA shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time

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to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the ROA. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and these Bylaws and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

E. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

F. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the ROA shall be executed by at least two (2) officers or such other person or persons as may be designated by resolution of the Board of Directors.

ARTICLE V

Committees

A. General. The Board of Directors is hereby authorized to establish committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Each committee established by the Board shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee and in accordance with such rules as are adopted by the Board of Directors. All committees of the ROA, except the Architectural Committee, shall be vested with advisory powers only and is not authorized to act on behalf of the ROA. Officers of the ROA may also serve as committee members.

ARTICLE VI

Indemnification

To the fullest extent permitted by applicable law, as the same exist or as they may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a Director of the ROA shall not be liable to the ROA for monetary damages, or otherwise, for an act or omission in the Director's capacity as a Director. Any amendment of these Bylaws shall be prospective only and shall not adversely offset any limitation on the personal liability of a Director of the ROA existing at the time of such repeal or amendment. In addition, the ROA shall be entitled to indemnify its Directors, officers, employees and/or Members, the Subdivision Manager (and its constituent partners and their respective directors, officers, employees, shareholders and/or members) and others acting on the ROA's behalf, including, without limitation, members of the Architectural Committee or other similar committees and any third-party agents and contractors, to the fullest extent allowed by applicable law. The

Association shall indemnify any Person who was or is a party, or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director, officer, Architectural Committee Member, or employee of the Association (the "Indemnified Party or Parties") against reasonable expenses to be paid directly and as actually and reasonably incurred (including attorney's fees, judgments, fines and amounts paid in settlement, including interest, costs and expenses) by the Indemnified Party in connection with such action, suit or proceeding if it is found and determined by the Board or a Court of Law that the Indemnified Party 1) acted in good faith and in a manner the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association or 2) with respect to any criminal action or proceeding, had not reasonable cause to believe the Indemnified Party's conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *Nolo Contendere* or its equivalent, shall not of itself create a presumption that the Indemnified Party did not act in good faith or in a manner which the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association, or with respect to any criminal action or proceeding, had reasonable cause to believe that the Indemnified Party's conduct was unlawful.

Furthermore, without limiting the foregoing in any way, the Association does hereby agree to **IDEMNIFY AND HOLD HARMLESS** and does hereby **IDEMNIFY AND HOLD HARMLESS** the Indemnified Parties, jointly and severally, from any and all claims, debts, demands, liabilities, damages, defenses, counter-claims, cross-claims, third party actions, offsets, actions, judgements and causes of action, whether in contract, tort or equity, of whatever nature or character, both known and unknown, whether held or accrued in the past, present or to accrue in the future, including reasonable attorneys fees and expenses incurred, which may hereafter be asserted by any Person, firm, corporation or other entity, arising out of or in any way related to or connected with, directly or indirectly, any act or omission committed by the Indemnified Party in such Indemnified Party's official capacity as a director, officer, Architectural Committee Member, employee. This indemnity provision applies even if such claims, debts, demands, liabilities, damages, defenses, counter-claims, cross-claims, third party actions, offsets, actions, judgements and causes of action were caused in whole or in part by any obligation, act, omission, negligence, breach of contract, misconduct, violation of statutory or common law, breach of warranty, product defect, or conduct of any type by such Indemnified Parties.

ARTICLE VII

Miscellaneous

A. Fiscal Year. The fiscal year of the ROA shall be January 1st to December 31st of each year.

B. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of ROA proceedings when not in conflict with Texas law, the Articles of Incorporation, the Declaration, or these Bylaws.

C. Conflicts. If there are conflicts between the provisions of Texas law, the Articles of Incorporation, the Declaration, and/or these Bylaws, then the provisions of Texas law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

D. Books and Records.

Section 1. Inspection by Members and Mortgagees. The Declaration, Bylaws, and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the ROA, books of account, and the minutes of meetings of the ROA shall be made available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Lot, a Member of the ROA, or by the duly appointed representative of any of the foregoing at any reasonable time and for a proper purpose during normal business hours at the office of the ROA or at such other place within the subdivision as the Board shall prescribe, by appointment.

Section 2. Rules for Inspection. The Board shall establish reasonable rules with respect to: (i) notice to be given to the custodian of records; (ii) hours and days of the week when such an inspection may be made by appointment for a proper purpose; and (iii) payment of the cost of reproducing copies of documents requested.

Section 3. Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the ROA and the physical property owned or controlled by the ROA. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the ROA.

E. Notices. Unless otherwise provided in these Bylaws, all notices, demands, bills, statements, or other communications under these Bylaws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first-class postage prepaid:

(a) if to a Member, at the address that the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or

(b) if to the ROA, the Board of Directors, or the managing agent, at the principal office of the ROA or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

F. Amendment. These Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of a majority of the Board of Directors and the consent of the

Class "B" Member, so long as such membership exists. Notwithstanding the above, the percentage of votes or other approval necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment may remove, revoke, or modify any right or privilege of the Class "B" Member without the written consent of Declarant or the assignee of such right or privilege.

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of La Ventana Ranch Owners' Association, Inc., a Texas non-profit corporation;

That the foregoing First Amended Bylaws constitute the first amended Bylaws of said ROA, as duly adopted at a meeting of the Board of Directors thereof held on the 11th day of October, 2001.

IN WITNESS WHEREOF, I have executed these First Amended Bylaws on behalf of the ROA on this 11th day of October, 2001.

Secretary

FILED AND RECORDED
OFFICIAL PUBLIC RECORDS
On: Sep 26, 2002 at 01:49P
Document Number: 02026515
Amount 133.00
Lee Carlisle
County Clerk
By
Rose Robinson, Deputy
Hays County

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I, ELAINE H. CARDENAS, COUNTY CLERK,
HAYS COUNTY, TEXAS, do hereby certify that this is
a true and correct copy as same appears of record
in my office. Witness my hand and seal of office on:



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4-3-25
ELAINE H. CARDENAS
HAYS COUNTY CLERK
BY DEPUTY *Jmoe*

Certification: *Jmoe*
True and Correct Copy of Original on
File in: Hays County Clerk's Office
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EXHIBIT 2

AFTER RECORDING RETURN TO:
Winstead PC
401 Congress Ave., Suite 2100
Austin, Texas 78701
Email: avaldes@winstead.com



LA VENTANA

Hays County, Texas

La Ventana Ranch Owners' Association, Inc.

[BYLAWS]

FOURTH AMENDED AND RESTATED BYLAWS

Reference the Third Amended and Restated Declaration of Covenants, Conditions and Restrictions for La Ventana recorded under Document No. 2026515, Official Public Records of Hays County, Texas, as amended from time to time; the Amended and Restated Declaration of Covenants, Conditions and Restrictions for La Ventana, Phase III recorded under Document No. 19003010, Official Public Records of Hays County, Texas, as amended from time to time, and the Third Amended Bylaws, recorded as Document No. 06037259, Official Public Records of Hays County, Texas.

INTRODUCTION

These Fourth Amended and Restated Bylaws are made by La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation, as follows:

A. La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation, is the homeowners' association responsible for governance of the La Ventana subdivision under the Third Amended and Restated Declaration of Covenants, Conditions and Restrictions for La Ventana recorded under Document No. 2026515, Official Public Records of Hays County, Texas, (as amended, the "Declaration") and the Amended and Restated Declaration of Covenants, Conditions and Restrictions for La Ventana, Phase III, recorded under Document No. 19003010, Official Public Records of Hays County, Texas (as amended, the "Phase III Declaration").

B. Pursuant to *Article VII* of the Third Amended Bylaws (the "Bylaws"), the Board of Directors may amend the Bylaws.

C. These Fourth Amended and Restated Bylaws have been approved and adopted by the Board of Directors of the Association.

D. Capitalized terms used but not defined herein shall have the meanings provided for such terms in the Declaration.

**AMENDED AND RESTATED BYLAWS
OF
LA VENTANA RANCH OWNERS' ASSOCIATION, INC.**

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AMENDED AND RESTATED BYLAWS
OF
LA VENTANA RANCH OWNERS' ASSOCIATION, INC.

ARTICLE 1
INTRODUCTION

The name of the corporation is La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation, hereinafter referred to as the "Association." The Association is located in Hays County, Texas. Meetings of Members and Directors may be held at such places within the State of Texas, County of Hays, as may be designated by the Board of Directors as provided in these Bylaws.

ARTICLE 2
DEFINITIONS

Unless the context otherwise specifies or requires it, the following words and phrases, when used in these Bylaws, shall have the meanings hereinafter specified:

Section 2.1. Articles. "Articles" shall mean the Articles of Incorporation of the Association, filed in the office of the Secretary of State of the State of Texas, as the same may be amended from time to time.

Section 2.2. Assessment. "Assessment" or "Assessments" shall mean a monetary amount imposed by the Association under the terms and provisions of the Declaration, as defined herein.

Section 2.3. Association. "Association" shall mean and refer to La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation.

Section 2.4. Association Property. "Association Property" shall mean all real or personal property now or hereafter owned by the Association, including, without limitation, all easement estates, licenses, leasehold estates, and other interests of any kind in and to real or personal property, which are now or hereafter owned or held by the Association.

Section 2.5. Association Rules. "Association Rules" shall mean the rules and regulations adopted by the Board pursuant to the Declaration, as the same may be amended from time to time.

Section 2.6. Board. "Board" shall mean the Board of Directors of the Association.

Section 2.7. Bylaws. "Bylaws" shall mean the bylaws of the Association as Recorded by the Board of the Association in the Official Public Records of Hays County, Texas, for the benefit of the Association. The Bylaws may be amended from time to time by a vote of a Majority of the Board.

Section 2.8. Declaration. "Declaration" shall mean Third Amended Declaration of Covenants, Conditions & Restrictions for La Ventana, recorded on September 26, 2002, as Document No. 02026515, in the Official Public Records of Hays County, Texas.

Section 2.9. Majority. "Majority" shall mean more than half.

Section 2.10. Manager. "Manager" shall mean the person, firm, or corporation, if any, employed by the Association pursuant to the Declaration and delegated the duties, powers, or functions of the Association, as may be applicable.

Section 2.11. Member. "Member" or "Members" shall mean any person(s), entity or entities holding membership privileges in the Association by virtue of their ownership of a Lot within the subdivision, as provided in the Declaration and so defined in the Articles.

Section 2.12. Mortgage. "Mortgage" or "Mortgages" shall mean any mortgage(s) or deed(s) of trust covering any portion of the Property given to secure the payment of a debt.

Section 2.13. Mortgagee. "Mortgagee" or "Mortgagees" shall mean the holder or holders of any lien or liens upon any portion of the Property.

Section 2.14. Owner. "Owner" or "Owners" shall mean the person(s), entity or entities, holding a fee simple interest in any Lot, but shall not include the Mortgagee of a Mortgage prior to its acquisition of fee simple interest in such Lot pursuant to foreclosure of the lien of its Mortgage.

Section 2.15. Property. "Property" shall mean and refer to the property subject to the terms and provisions of the Declaration.

Section 2.16. Restrictions. "Restrictions" shall mean, singularly or collectively as the case may be, the Declaration, Articles, and Bylaws. "Restrictions" also include any rules, policies, guidelines, and regulations promulgated or established by the Association pursuant to the Declaration. An appendix, exhibit, schedule, or certification accompanying a Restriction is part of the Restriction.

ARTICLE 3

ASSOCIATION MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

Section 3.1. Membership. Each Owner of a Lot is a mandatory Member of the Association, as more fully set forth in the Declaration.

Section 3.2. Place of Meetings. Meetings of the Association shall be held where designated by the Board, either within the Property or as convenient as possible and practical.

Section 3.3. Annual Meetings. There shall be an annual meeting of the Members of the Association for the purposes of Association-wide elections or votes and for such other Association business at such reasonable place, date and time as set by the Board.

Section 3.4. Special Meetings. Special meetings of Members may be called in accordance with Section 22.155 of the Texas Business Organizations Code or any successor statute, or by the Board.

Section 3.5. Notice of Meetings. Written or printed notice stating the place, day, and hour of any meeting of the Members shall be delivered to each Member in accordance with Chapter 209 of the *Texas Property Code* (or any successor law(s) thereto). In the case of a special meeting, or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears in the records of the Association, with postage prepaid. If an election or vote of the Members will occur outside of a meeting of the Members (i.e., absentee or electronic ballot), then the Association shall provide notice in accordance with Chapter 209 of the *Texas Property Code* (or any successor law(s) thereto).

Section 3.6. Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed a waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting by a Member shall be deemed a waiver of notice of all business transacted at such meeting unless an objection by a Member on the basis of lack of proper notice is raised before the business is put to a vote.

Section 3.7. Quorum. Except as otherwise provided in these Bylaws or in the Declaration, the presence of the Members representing at least ten percent (10%) of the total votes in the Association shall constitute a quorum at all Association meetings. The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of enough Members to leave less than a quorum, provided that Members representing at least five percent (5%) of the total votes in the Association remain in attendance, and provided that any action taken is approved by at least a Majority of the votes present at such adjourned meeting, unless otherwise provided in the Declaration.

Section 3.8. Conduct of Meetings. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of the Association's proceedings when not in conflict with Texas law, the Article of Incorporation, the Declaration, or these Bylaws. The President or any other person appointed by the Board shall preside over all Association meetings, and the Secretary, or the Secretary's designee, shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. The minutes and any other record of all transactions of Association meetings shall be published on the Association website not later than seven (7) days following adjournment.

Section 3.9. Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically and expressly incorporated by reference herein. Except as otherwise provided in the Declaration, action may be taken at any legally convened meeting of the Members, at which a quorum of eligible voting members is present, upon the affirmative vote of the Members having a Majority of the total votes present at such meeting in person or by absentee ballot or electronic voting, if such votes are considered present at the meeting as further set forth herein. Cumulative voting, which permits voters in an election for more than one seat to put more than one vote on a preferred candidate, shall not be allowed. The owner of fee title to a Lot shall be entitled to cast the vote allocated to such Lot. If the owner is an entity or trust, the entity or trust shall cast the vote by its proxy, signed by an

officer of the entity or the trustee of the trust, granted to an individual. The proxy shall be filed with the Secretary of the Association, and remain valid until revoked, or by sale of the property. Any provision in the Association's governing documents that would disqualify an Owner from voting in an Association election of Board Members or on any matter concerning the rights or responsibilities of the Owner is void. In a Board election, each candidate is allowed to name one person to observe the counting of the ballots, provided that the designated observer (i) is prohibited from seeing the name of the Member who cast any ballot, and (ii) shall not be disruptive, and if found to be disruptive, shall be removed.

Section 3.10. Methods of Voting: In Person; Proxies; Absentee Ballots; Electronically. The voting rights of an Owner may be cast or given: (a) in person or by proxy at a meeting of the Association; (b) by absentee ballot; (c) by electronic ballot (if an electronic voting option is provided for a voting matter) or (d) using any method(s) approved by the Board for a specific vote and/or election to the extent such voting method is authorized under applicable law. At the board's discretion, absentee ballots may also be cast or given at an election in which electronic voting is the primary method of voting. The Board is not required to provide an Owner with more than one (1) voting method, except that an owner must be permitted to vote by absentee ballot or by proxy. Any vote cast in an election or vote by a Member of the Association must be in writing and signed by the Member. Electronic votes constitute written and signed ballots. In an Association election, written and signed ballots are not required for uncontested races. Votes shall be cast as provided in this Section:

(A) **Proxies.** Any Member may give a revocable written proxy in the form as prescribed by the Board from time to time to any person authorizing such person to cast the Member's vote on any matter. A Member's vote by proxy is subject to any limitations of Texas law relating to the use of general proxies and subject to any specific provision to the contrary in the Declaration or these Bylaws. No proxy shall be valid unless signed by the Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Proxies shall be valid only for the specific meeting for which given and for lawful adjournments of such meeting. In no event shall a proxy be valid more than eleven (11) months after the effective date of the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Lot for which it was given. If an Owner who has given a Proxy attends any meeting to vote in person, the vote of the Owner supersedes any vote submitted by Proxy.

(B) **Absentee and Electronic Ballots.** An absentee or electronic ballot: (1) May be counted as an Owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot; (2) shall not be counted, even if properly delivered, if the Owner attends any meeting to vote in person, so that any vote cast at a meeting by an Owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and (3) may not be counted on the final vote of a proposal if the proposal was amended at the meeting to be different from the exact language on the absentee or electronic ballot. For the purposes of this Section, a nomination taken from the floor in a Board member election is not considered an amendment to the proposal for the election.

- i. **Absentee Ballots.** No absentee ballot shall be valid unless it is in writing, signed by the Member for which it is given or his duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Absentee ballots shall be valid only for the specific meeting for which given and for lawful adjournments of such

meeting. In no event shall an absentee ballot be valid after the specific meeting or lawful adjournment of such meeting at which such ballot is counted or upon conveyance of the Lot for which it was given. Any solicitation for votes by absentee ballot must include:

- a. an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;
 - b. instructions for delivery of the completed absentee ballot, including the delivery location; and
 - c. the following language: "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."
- ii. **Electronic Ballots.** "Electronic ballot" means a ballot: (a) given by email, facsimile or posting on a website; (b) for which the identity of Owner submitting the ballot can be confirmed; and (c) for which the Owner may receive a receipt of the electronic transmission and receipt of the Owner's ballot. If an electronic ballot is posted on a website, a notice of the posting shall be sent to each Owner that contains instructions on obtaining access to the posting on the website.

Section 3.11. Tabulation of and Access to Ballots. A person who is a candidate in an Association election or who is otherwise the subject of an Association vote, or a person related to that person within the third degree by consanguinity or affinity may not tabulate or otherwise be given access to the ballots cast in that election or vote except such person may be given access to the ballots cast in the election or vote as part of a recount process. A person tabulating votes in an Association election or vote or who performs a recount pursuant to *Section 3.12* may not disclose to any other person how an individual voted. Notwithstanding any provision of these Bylaws to the contrary, only a person who tabulates votes pursuant to this Section or performs a recount pursuant to *Section 3.12* shall be given access to any Association ballots.

Section 3.12. Recount of Votes. Any Member (the "**Recount Requesting Member**") may, not later than the fifteenth (15th) day after the later of the date of any meeting of Members at which an election or vote was held, or the date of the announcement of the results of the election or vote, require a recount of the votes (the "**Recount Request**"). A Recount Request must be submitted in writing either: (i) by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier, with signature confirmation service to the Association's mailing address as reflected on the latest management certificate; or (ii) in person to the Association's managing agent as reflected on the latest management certificate or to the address to which absentee ballots are mailed. The Recount Requesting Member shall be required to pay, in advance, expenses associated with the recount as estimated by the Association, pursuant to subsection (a) below.

(a) Cost of Recount. The Association shall estimate the costs for performing the recount by a person qualified to tabulate votes under subsection (b), and no later than the 20th day after the date the Association receives the Recount Request, shall send an invoice for the estimated costs (the "**Initial Recount Invoice**") to the Recount Requesting Member at the Recount Requesting Member's last known address according to the Association's records. The Recount Requesting Member must pay the Initial Recount Invoice in full to the Association on or before the 30th day after the date the Initial Recount Invoice was delivered to the Recount Requesting Member (the "**Deadline**"). If the Initial Recount Invoice is not paid by the Recount Requesting Member by the Deadline, the Recount Requesting Member's Recount Request shall be considered withdrawn and the Association shall not be required to perform a recount. If the Initial Recount Invoice is paid by the Recount Requesting Member by the Deadline, then on or before the 30th day after the date of receipt of payment of the Invoice, the recount must be completed and the Association must provide each Recount Requesting Member with notice of the results of the recount. If the recount changes the results of the election, the Association shall reimburse the Recount Requesting Member for the cost of the recount not later than the 30th day after the date the results of the recount are provided. If the recount does not change the results of the election, and the estimated costs included on the Initial Recount Invoice are either lesser or greater than the actual costs of the recount, the Association shall send a final invoice (the "**Final Recount Invoice**") to the Recount Requesting Member on or before the 30th business day after the date the results of the recount are provided. If the Final Recount Invoice reflects that additional amounts are owed by the Recount Requesting Member, the Recount Requesting Member shall remit such additional amounts to the Association immediately. Any additional amounts not paid to the Association by the Recount Requesting Member before the 30th business day after the date the Final Recount Invoice is sent may be charged as an Individual Assessment against the Recount Requesting Member. If the costs estimated in the Initial Recount Invoice costs exceed the amount reflected in the Final Recount Invoice, then the Recount Requesting Member shall be entitled to a refund, which such refund shall be paid at the time the Final Recount Invoice is delivered pursuant to this Section.

(b) Vote Tabulator. Following receipt of payment of the Initial Recount Invoice, the Association shall retain for the purpose of performing the recount, the services of a person qualified to tabulate votes. The Association shall enter into a contract for the services of a person who: (i) is not a Member of the Association or related to a Member of the Association Board within the third degree by consanguinity or affinity; and (ii) is either a person agreed on by the Association and each person requesting a recount or is a current or former county judge, county elections administrator, justice of the peace or county voter registrar.

(c) Board Action. Any action taken by the Board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

ARTICLE 4 BOARD OF DIRECTORS

Section 4.1. Authority; Number of Directors.

(a) The affairs of the Association shall be governed by a Board of Directors ("the Board"). In accordance with the Declaration, the Board will consist of no less than seven (7) Directors.

(b) The Directors, Officers, managers, committee members, and other Association representatives ("Governing Persons"), shall abide by the La Ventana Ranch Owners' Association

Code of Conduct Policy, appended as Attachment A to these Amended Bylaws and expressly incorporated by reference thereto.

(c) Upon approval of these Amended and Restated Bylaws and at the first annual meeting of the Board, each Director shall affirm their agreement with the terms stated within the Code of Conduct Policy and their intention to abide thereto. Failure to affirm agreement will be grounds for removal.

(d) The Owners shall have the sole right to elect members of the Board who shall each serve two (2) year terms, except for those Directors elected at the Annual Meeting of the Members to take place in 2023. At such Annual Meeting of the Members, all seven (7) Directorships shall be up for election. The four (4) candidates who are ranked 1-4 in the total number of votes received shall serve two (2) year terms and the three (3) candidates who are ranked 5-7 in the total number of votes received shall serve one (1) year terms. Thereafter, all Directors will be elected for two (2) year terms.

(e) A Director takes office when the Director is elected or appointed and, absent death, ineligibility, resignation, or removal, will hold office until a successor is properly elected or appointed.

(f) Each Director shall be a Member. In the case of corporate, partnership, or other entity ownership of a Lot, the Director must be a duly authorized agent or representative of the corporation, the partnership, or other entity, which owns the Lot. Other than as set forth in these Bylaws, the Association may not restrict an Owner's right to run for a position on the Board.

Section 4.2. Compensation. The Directors shall serve without compensation for such service. As determined by the Board, Directors may be reimbursed for any reasonable and necessary out-of-pocket expenses.

Section 4.3. Nominations to Board of Directors. Eligible Members may be nominated for election to the Board of Directors in either of the following ways:

(a) A Member who is not a Director and who desires to run for election to that position shall be deemed to have been nominated for election by signifying his intention to seek election in a writing addressed to the Board of Directors; or

(b) A Director who is eligible to be re-elected shall be deemed to have been nominated for re-election to the position he holds by signifying his intention to seek re-election in a writing addressed to the Board of Directors.

Section 4.4. Vacancies on Board of Directors. Should the office of any Director become vacant by reason of death, resignation, removal, or disability, the remaining Directors, at a regular or special meeting of the Board, shall choose a successor who shall fill the unexpired term of the directorship being vacated. If there is a deadlock in the voting for a successor by the remaining Directors, the Director with the longest continuous term on the Board shall select the successor. At the expiration of the term of this position on the Board of Directors, the successor Director shall be re-elected, or his successor shall be elected, in accordance with these Bylaws.

Section 4.5. Removal of a Director by Members. A Director may be removed, with or without cause, by the vote of Members holding fifty-one percent (51%) of the votes of eligible voting members in the Association.

Section 4.6. Removal of a Director by the Board. A Director may be removed, with or without cause, from office by the unanimous vote of all Directors on the Board, excluding the Director who is the subject of the removal vote. The remaining Directors shall choose a successor to fill the unexpired term in accordance with these Bylaws.

Section 4.7. Solicitation of Candidate for Election to the Board. At least twenty (20) days before the date the Association disseminates absentee ballots or other ballots to Members for the purpose of voting in a Board election, the Association shall provide notice (the "**Solicitation Notice**") of the election to the Members. The Solicitation Notice shall: (a) solicit candidates that are eligible and interested in running for a position on the Board; (b) state the deadline to respond to the Solicitation Notice to be placed on the ballot; and (c) must be: (1) mailed to each Member; (2) emailed to each Member that has registered their e-mail address with the Association; or (3) posted in a conspicuous manner reasonably designed to provide notice to Members, such as: (i) within the Common Area or, with the Member's consent, on other conspicuously located privately owned property within the subdivision; or (ii) on any website maintained by the Association or other internet media.

ARTICLE 5 MEETINGS OF DIRECTORS

Section 5.1. Definition of Board Meetings. A meeting of the Board means a deliberation between a quorum of the Board, or between a quorum of the Board and another person, during which Association business is considered and the Board takes formal action.

Section 5.2. Regular Meetings. Regular meetings of the Board shall be held annually, or such other frequency as determined by the Board, at such place and hour as may be fixed from time to time by resolution of the Board.

Section 5.3. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days' notice to each Director.

Section 5.4. Quorum. A Majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a Majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 5.5. Open Board Meetings. All regular and special Board meetings must be open to Owners. However, the Board has the right to adjourn a meeting and reconvene in closed executive session to consider actions involving: (a) personnel; (b) pending or threatened litigation; (c) contract negotiations; (d) enforcement actions; (e) confidential communications with the Association's attorney(s); (f) matters involving the invasion of privacy of individual Owners, or matters that are to remain confidential by request of the affected parties and agreement of the Board. Following an executive session, any decision made by the Board in the executive session must be summarized orally in general terms and placed in the written minutes within seven (7) days. The oral summary must include a general explanation of expenditures approved in the executive session.

Section 5.6. Location. Except if otherwise held by electronic or telephonic means, a Board meeting must be held in the county in which all or a part of the property in the subdivision is located, as determined in the discretion of the Board.

Section 5.7. Record; Minutes. The Board shall keep a record of each regular or special Board meeting in the form of written minutes of the meeting. The Association will endeavor to post minutes of Board meetings on the Association website not later than seven (7) days following adjournment of the meeting. The Board shall also make meeting records, including approved minutes, available to a Member for inspection and copying on the Member's written request to the Association's managing agent at the address appearing on the most recently filed management certificate or, if there is not a managing agent, to the Board.

Section 5.8. Notices. Members shall be given notice of the date, hour, place, agenda, and general subject of a regular or special board meeting, including a general description of any matter to be brought up for deliberation in executive session. The notice shall be: (a) mailed to each Member not later than the tenth (10th) day or earlier than the sixtieth (60th) day before the date of the meeting; or (b) provided at least one hundred and forty-four (144) hours before the start of the meeting or seventy-two (72) hours before the start of a special meeting by: (i) posting the notice in a conspicuous manner reasonably designed to provide notice to Members in a place located on the Association's common area or on any website maintained by the Association; and (ii) sending the notice by e-mail to each Member who has registered an e-mail address with the Association. It is the Member's duty to keep an updated e-mail address registered with the Association. The Board may establish a procedure for registration of email addresses, which procedure may be required for the purpose of receiving notice of Board meetings. If the Board recesses a regular or special Board meeting to continue the following regular business day, the Board shall give notice of the continuation by e-mail to each Member who has registered an e-mail address with the Association within twelve (12) hours after adjourning the meeting being continued. If a regular or special Board meeting is continued to the following regular business day, and on that following day the Board continues the meeting to another day, the Board shall give notice of the continuation in at least one manner as set forth above within twelve (12) hours after adjourning the meeting being continued.

Section 5.9. Meeting without Prior Notice. The Board may take action outside a meeting, including voting by electronic or telephonic means, without prior notice to the Members if each Board member is given a reasonable opportunity (i) to express his or her opinions to all other Board members and (ii) to vote. Any action taken without notice to Members must be summarized orally, including an explanation of any known actual or estimated expenditures approved at the meeting, and documented in the minutes of the next regular or special Board meeting. The Board may not, unless done in an open meeting for which prior notice was given to the Members pursuant to *Section 5.-8* above, consider or vote on: (a) fines; (b) damage assessments; (c) the initiation of foreclosure actions; (d) the initiation of enforcement actions, excluding temporary restraining orders or violations involving a threat to health or safety; (e) increases in assessments; (f) levying of special assessments; (g) appeals from a denial of architectural control approval; (h) a suspension of a right of a particular Member before the Member has an opportunity to attend a Board meeting to present the Member's position, including any defense, on the issue; (i) the lending or borrowing of money; (j) the adoption of any amendment of a dedicatory instrument; (k) the approval of an annual budget or the approval of an amendment of an annual budget; (l) the sale or purchase of real property; (m) the filling of a vacancy on the Board; (n) the construction of capital improvements other than the repair, replacement, or enhancement of existing capital improvements; (o) the election of an officer; or (p) adopting or amending rules and regulations.

Section 5.10. Telephone and Electronic Meetings. Any action permitted to be taken by the Board may be taken by telephone or electronic methods provided that: (1) each Board

member may hear and be heard by every other Board member; (2) except for any portion of the meeting conducted in executive session: (i) all Members in attendance at the meeting may hear all Board members; and (ii) any Members are allowed to listen using any electronic or telephonic communication method used or expected to be used by a participating Board member at the same meeting; and (3) the notice of the Board meeting provides instructions to the Members on how to access the electronic or telephonic communication method used in the meeting. Participation in such a meeting constitutes presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting is not lawfully called or convened, in which case, the minutes will document the member's lack of physical presence and the objection for the record.

ARTICLE 6 POWERS AND DUTIES OF THE BOARD

Section 6.1. Powers and Duties. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs. The Board shall have power and duty to undertake any of the following actions, in addition to those actions to which the Association is authorized to take in accordance with the Declaration, or as limited by the Declaration:

(a) Adopt and publish the Association Rules, including regulations governing the use of the Association Property and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) Suspend the right of a Member to use of the Association Property during any period in which such Member shall be in default in the payment of any Assessment levied by the Association, or after notice and hearing, for any period during which an infraction of the Association Rules by such Member exists;

(c) Exercise for the Association all powers, duties and authority vested in or related to the Association and not reserved to the membership by other provisions of the Restrictions;

(d) To enter into any contract or agreement with a municipal agency or utility company to provide electric utility service to all or any portion of the Property;

(e) Declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;

(f) Employ such employees as they deem necessary, and to prescribe their duties. Enter into an enforceable contract with an association board member, a relative of an association board member, within the 3rd degree of consanguinity or affinity, a company in which either an association board member or relative of an association board member who has a financial interest in at least 51 percent of profits only if all of the following provisions have been met:

(1) the board member, relative, or company bids on the proposed contract and the association has received at least two other bids for the contract from persons not associated with the board member, relative, or company, if reasonably available in the community;

(2) the association board member is not given access to the other bids, does not participate in any board discussion regarding the contract; and does not vote on the award of the contract;

(3) the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the association board and the board, in good faith and with ordinary care, authorizes the contract by an affirmative vote of the majority of the board members who do not have an interest governed by this subsection; and

(4) the association board certifies that the other requirements of this subsection have been satisfied by a resolution approved by an affirmative vote of the majority of the board members who do not have an interest governed by this subsection of Texas Property Code Section 209.0052 have been met.

Association members may however volunteer their services without expectation of remuneration;

(g) As more fully provided in the Declaration, to:

(1) Fix the amount of the Assessments against each Lot in advance of each annual assessment period and any other assessments provided by the Declaration; and

(2) Foreclose the lien against any property for which Assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;

(h) Issue, or to cause an appropriate officer or Manager to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid and to levy a reasonable charge for the issuance of these certificates (it being understood that if a certificate states that an Assessment has been paid, such certificate shall be conclusive evidence of such payment);

(i) Procure and maintain adequate liability and hazard insurance on Association Property;

(j) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and

(k) Exercise such other and further powers or duties as provided in the Declaration, these Bylaws, or as provided for in Applicable Law.

(l) Develop and update a professional reserve study to forecast expenses for the annual budget.

(m) Control of Association's funds. The Treasurer shall submit a 12-month budget (January 1 - December 31), to the Association Board for consideration and comment by November 1st of each year. Such budget shall be unanimously agreed by the Association Board no later than December 15th of each year. Any expenditures more than the greater of (i) 10% or (ii) \$1,000 more than the agreed upon budget for such expenditure requires a majority approval of the Association Board.

(n) Accrual basis accounting, as defined by generally accepted accounting principles, shall be employed.

(o) Accounting and controls should confirm to generally accepted accounting principles.

ARTICLE 7 OFFICERS AND THEIR DUTIES

Section 7.1. Enumeration of Offices. The officers of the Association shall be a President, Secretary, and a Treasurer who shall at all times be members of the Board, and such other officers as the Board may from time to time create by resolution.

Section 7.2. Election of Officers. Election of officers shall be by the vote of the Board. At the first regular meeting of the new board, which shall be held not later than November 1st, the outgoing President shall conduct voting by the Directors for each Officer position, in order of President, Treasurer, and then Secretary. Voting by Members shall be by show of hands or secret ballot at the sole discretion of the President.

Section 7.3. Term. The officers of the Association shall be elected for the shorter of: (a) a two-year term; or (b) the remaining period of time left for the directorship the Director occupies.

Section 7.4. Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine. Such other Officers shall not be voting members of the Board.

Section 7.5. Removal. Any officer may be removed, with or without cause, at any time by a majority vote of the Members or Directors.

Section 7.6. Resignation. Any officer may resign at any time by giving written notice to the Board, the President, or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.7. Vacancies. A vacancy in any office may be filled through appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.8. Multiple Offices. No person shall simultaneously hold more than one of any of the offices, except in the case of special offices created pursuant to *Section 7.4*

Section 7.9. Duties. The officers will run the day-to-day operations of the Association under the supervision of the Board of Directors for material matters. The duties of the officers are as follows:

(a) **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records in coordination with the Manager

showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board.

(c) Treasurer. The Treasurer shall verify the receipt and deposit in appropriate bank accounts all monies of the Association that are received by the Manager, and shall disburse such funds as directed by resolution of the Association Board; shall approve all checks and promissory notes of the Association; keep proper books of account in appropriate form such that they could be audited by a public accountant whenever ordered by the Association Board or the membership; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular meeting, and shall post financial records monthly on the Association website (necessarily one month behind). The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and these Bylaws, and may delegate all or part of the preparation and notification duties to a Finance Committee, management agent, or both.

Section 7.10. Execution of Instruments. Except when the Restrictions require execution of certain instruments by certain individuals, the Board may authorize any person to execute instruments on behalf of the Association, including without limitation checks from the Association's bank account. In the absence of Board designation, and unless otherwise provided herein, the President and the Secretary are the only persons authorized to execute instruments on behalf of the Association.

ARTICLE 8 OTHER COMMITTEES OF THE BOARD OF DIRECTORS

The Board may, by resolution adopted by affirmative vote of a Majority of the number of Directors fixed by these Bylaws, designate two or more Directors or Members (with such alternates, if any, as may be deemed desirable) to constitute another committee or committees for any purpose; provided, that any such other committee or committees shall have and may exercise only the power of recommending action to the Board of Directors and of carrying out and implementing any instructions or any policies, plans, programs and rules theretofore approved, authorized and adopted by the Board.

ARTICLE 9 BOOKS AND RECORDS

The books, records, financial statements, and papers of the Association shall be made available for inspection during reasonable business hours and after a proper request has been submitted in accordance with applicable law. The Restrictions shall be published electronically on the Association website and shall also be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE 10 ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Assessments, which are secured by a continuing lien upon the property against which the Assessments are made. Assessments shall be due and payable in accordance with the Declaration.

**ARTICLE 11
AMENDMENTS**

These Bylaws may be amended by a Majority vote of the Board of Directors.

**ARTICLE 12
INDEMNIFICATION OF DIRECTORS AND OFFICERS**

The Association shall indemnify every Director, Officer or Committee Member against, and reimburse and advance to every Director, Officer and Committee Member for all liabilities, costs and expenses incurred in connection with such directorship or office and any actions taken or omitted in such capacity to the greatest extent permitted under the Texas Business Organizations Code and all other applicable laws at the time of such indemnification, reimbursement or advance payment; provided, however, no Director, Officer or Committee Member shall be indemnified for: (a) a breach of duty of loyalty to the Association or its Members; (b) an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law; (c) a transaction from which such Director, Officer or Committee Member received an improper benefit, whether or not the benefit resulted from an action taken within the scope of directorship or office; or (d) an act or omission for which the liability of such Director, Officer or Committee Member is expressly provided for by statute.

**ARTICLE 13
MISCELLANEOUS**

Section 13.1. Fiscal Year. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 13.2. Review of Statutes and Court Rulings. Users of these Bylaws should also review statutes and court rulings that may modify or nullify provisions of this document or its enforcement or may create rights or duties not anticipated by these Bylaws.

Section 13.3. Conflict. If there are conflicts between the provisions of Texas law, the Articles of Incorporation, the Declaration, and/or these Bylaws, then the provisions of Texas law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

Section 13.4. Interpretation. The effect of a general statement is not limited by the enumerations of specific matters similar to the general. The captions or articles and sections are inserted only for convenience and are in no way to be construed as defining or modifying the text to which they refer. The singular is construed to mean the plural, when applicable, and the use of masculine or neuter pronouns includes the feminine.

Section 13.5. No Waiver. No restriction, condition, obligation, or covenant contained in these Bylaws may be deemed to have been abrogated or waived by reason of failure to enforce the same, irrespective of the number of violations or breaches thereof, which may occur.

ATTACHMENT A - CODE OF CONDUCT POLICY

1. **Background.** The Association adopts this policy to establish standards for conduct that will apply to its Directors, Officers, managers, committee members, and other Association representatives ("Governing Persons").
2. **Purpose of Code of Conduct Policy.** The Board of Directors (the "Board") is committed to earning and maintaining the trust of all owners within the community by abiding to high ethical standards, adhering to the Association's governing documents and applicable provisions of Texas law, applying the principles of financial solvency, communicating openly, seeking consensus, and acting in the best interest of the Association and its members. This Code of Conduct Policy ("Policy") describes the basic conduct and responsibilities expected from all Governing Persons. Each Governing Person should carefully read and understand this Policy. The Board may require that every Governing Person sign an acknowledgment document agreeing to comply with this Policy as a condition of continuation of service on behalf of the Association.
3. **Professionalism; No Abusive Conduct.** Each Governing Person must act professionally while conducting business on behalf of the Association. No abusive, derogatory, offensive or insulting language or argumentative tone will be allowed. Additionally, each Governing Person shall avoid any conduct that can reasonably be deemed to constitute sexual harassment or discrimination based upon a person's race, religion, national origin, ancestry, age, medical condition, marital status, physical or mental disability, sexual orientation, or other status as a member of a protected class under applicable federal and/or state law.
4. **Acceptance of Gifts.** No Governing Person shall solicit or accept, directly or indirectly, any gifts, gratuity, favor, entertainment, loan, or any other thing of monetary value made with the intent of influencing a decision or action on any official matter. An award presented in recognition of a Governing Person's service is not a prohibited gift.
5. **Conflicts of Interest.** A "Conflict of Interest" exists where a Governing Person will receive a direct monetary benefit from a third party in exchange for the Governing Person's decision or action on any official matter. A Governing Person who is offered a direct monetary benefit from a third party in exchange for the Governing Person's decision or action on any official matter must immediately disclose all facts and information regarding such offer to the Board and recusal is required. Otherwise, a conflict of interest exists if a Governing Person is in a position to approve a contract or transaction involving the Association and: (a) the Governing Person; or (b) an entity or organization in/for which the Governing Person has a financial interest or serves as a managerial official. In such case, the material facts as to the relationship or interest and as to the contract or transaction must be disclosed to the Board as soon as practicable and the Board shall determine whether recusal is necessary.
6. **Association Records.** Governing Persons will, at all times, respect the privacy of the membership, and may not abuse their official positions to acquire individual personal membership information for their personal use. All inquiries must strictly be related to Association business. Governing Persons shall be obligated to promptly restore all Association records to their original file(s) and order after each use, and in no event shall remove any Association records from the custody of the Association.

7. **Loans, Reimbursements & Handling of Funds.** Governing Persons shall not make or accept any personal loans from the Association. Each Governing Person shall submit for reimbursement only legitimate and authorized expenses incurred in connection with Association business. Occasionally, Governing Persons are required to handle funds in connection with their duties. Governing Persons shall always handle and dispose of such funds in a manner that is documented by receipts, and shall take other reasonable precautions to safeguard the Association's funds.
8. **Duty of Loyalty and Duty of Care.** Each Board member is subject to two primary obligations to the Association: (1) a duty of loyalty; and (2) a duty of care. Directors should discharge their duties in good faith and in the best interests of the Association, rather than in their own interest or the interests of another entity or person. The second duty involving the duty of care requires all Board members to be informed and exercise independent judgment and exercise the same care as an ordinary prudent person would under similar circumstances; in other words, Board members are required to use good business judgment. Each Board member shall recognize that the Board is a democratic body with all members having equal voting power regardless of position held. All Board members shall be bound by majority vote, unless otherwise required by applicable law or duly adopted policies of the Board, and shall not engage in undermining Board decisions, regardless of whether certain decisions were not unanimously made.
9. **Use of the Association's Name (Email or Mail – Letterhead).** No Governing Person may utilize Association letterhead for personal use. Association letterhead shall be reserved for use in the transaction of official Association business. Governing Persons may utilize Association letterhead in their official capacities. Any correspondence on Association letterhead which purports to represent the opinions or recommendations of the Board is authorized only if signed or otherwise approved by a majority of the Board in accordance with the Bylaws of the Association.
10. **Press Inquiries.** A Governing Person shall promptly notify the Board of any inquiries received by or statements made to the press or other third-party media outlets, and a majority of the Board shall determine the response, if any, to such inquiries or statements.
11. **Statement Regarding the Use of Social Media.** The Board has determined that the Association may benefit by utilizing social media such as Facebook, Twitter, LinkedIn, Nextdoor, Meetup, various community blogs and other similar media for the purpose of providing information concerning community events, governance, meetings, discussion forums, community advertisement, and other similar information ("Social Media"), which is further defined as certain forms of electronic communication (such as web pages for social networking and blogging) through which users create online communities to share information, ideas, personal messages and other electronic content, including audio and video files. The Board has also determined that Social Media is a powerful communications tool that may have a significant impact on the Association and its members - both positively and negatively - if not properly utilized.
12. **Social Media – Rules of Conduct.** Basic rules of conduct must be adhered to by each Governing Person utilizing any Social Media while serving as a Governing Person in order to protect the Association's reputation and individual Association's representatives' or members' reputations, to disseminate accurate information and to foster community by moderating the tone and civility of the interactions on Social Media regarding any issue affecting or purporting to be an official position of the Association.

a. Official Capacity Social Media Use. No Governing Person may participate in any Social Media in which such individual purports to act in their capacity as a Governing Person or to communicate an official position of the Association without first receiving permission to do so from the Board. If ever authorized to speak in one's capacity as a Governing Person of the Association on an issue affecting the Association in any manner or on an official position of the Association, such communications must be the approved statements of or substantially the same content as the approved statements of the Association. The Board may, by resolution, appoint a person or persons, including a member of the Manager's team, a Director or Officer, or a committee, to post on Social Media on the Association's behalf.

b. Conduct Requirements. Official communications from the Association and communications made on any platform that is approved or sponsored by the Association shall not include:

- Vulgar, coarse or other inappropriate language communicated to shock, attack, denigrate, or offend;
- Inappropriate images, such as, but not limited to, pornographic or obscene photographs, videos or images;
- Personal attacks of any kind;
- Comments that promote or constitute discrimination;
- Support or encouragement of illegal activity;
- Infringements on copyrights or trademarks;
- Identifiable personal medical or financial information that is to be maintained as confidential;
- Malicious or false statements damaging to a person's reputation; or
- Information that may compromise the safety, security, or proceedings of any legal action pertaining to the Association.

13. Enforcement. The Association reserves the right to delete and/or respond to any content that the Board deems inappropriate or harmful to the Association and/or to direct a Governing Person to delete or correct any prohibited, inaccurate or inappropriate communications, as determined in the sole discretion of the Board and further be subject to the consequences set forth herein as a result of any violation of this Policy. A violation of this Policy may be enforced in the same manner as any other rule, covenant, or policy.

14. Amendment of Code of Conduct Policy. This Policy may be amended by a Majority vote of the Board of Directors.

DIRECTOR ACKNOWLEDGEMENT

I have reviewed the foregoing Code of Conduct Policy of the La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation. I agree I am a Governing Person, as that term is defined in the Code of Conduct Policy. I further agree to be bound by the Code of Conduct Policy during the period of time I am a Governing Person.

Printed Name: _____

Date: _____

ACKNOWLEDGEMENT FOR RECORDING

The undersigned is the duly elected and qualified PRESIDENT of the La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation (the "Association").

The undersigned hereby certifies that this is a true and correct copy of the Fourth Amended Bylaws adopted by the Association's Board of Directors.

IN WITNESS WHEREOF, the undersigned has executed this certificate on the 10th day of August, 2023

Robert K. Asay
Printed Name: ROBERT K. ASAY

THE STATE OF TEXAS

§

§

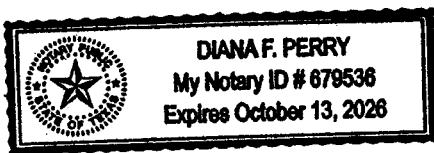
COUNTY OF HAYS

§

This instrument was acknowledged before me this 10th day of August, 2023 by Robert K. Asay, on behalf of La Ventana Ranch Owners' Association, Inc., a Texas nonprofit corporation.

(SEAL)

Diana F. Perry
Notary Public Signature



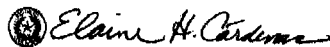
SKELTON 000099

THE STATE OF TEXAS

COUNTY OF HAYS

I hereby certify that this instrument was FILED on the
date and the time stamped hereon by me and was duly
RECORDED in the Records of Hays County, Texas.

23031436 DECLARATION
08/25/2023 11:30:28 AM Total Fees: \$114.00

 Elaine H. Cardenas

Elaine H. Cardenas, MBA, PhD, County Clerk
Hays County, Texas

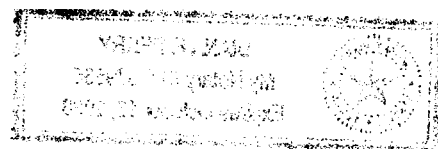


EXHIBIT 3

NO. _____

LA VENTANA RANCH OWNERS
ASSOCIATION, INC.,
Plaintiff,

§
§
§
§
§
§
§
§
§

IN THE COUNTY COURT

v.

AT LAW NO. _____

JAKOB SKELTON AND STEPHANIE
CHANG A/K/A STEPHANIE SKELTON,
Defendants.

HAYS COUNTY, TEXAS

PLAINTIFF'S REQUIRED INITIAL DISCLOSURES

REQUIRED DISCLOSURE NO. 1: The correct names of the parties to the lawsuit.

RESPONSE: To the Plaintiff's best knowledge, all other parties are named correctly.

REQUIRED DISCLOSURE NO. 2: The name, address, and telephone number of any potential parties.

RESPONSE:

None at this time.

REQUIRED DISCLOSURE NO. 3: The legal theories and, in general, the factual bases of the responding party's claims or defenses (the responding party need not marshal all evidence that may be offered at trial).

RESPONSE: Please refer to Plaintiff's Original Petition regarding Breach of Restrictive Covenant.

REQUIRED DISCLOSURE NO. 4: The amount and any method of calculating economic damages.

RESPONSE:

Plaintiff seeks statutory damages and recovery of its attorney's fees billed at an hourly rate.

REQUIRED DISCLOSURE NO. 5: The name, address, and telephone number of persons having knowledge of relevant facts, and a brief statement of each identified person's connection with the case.

RESPONSE:

La Ventana Ranch Owners Association, Inc.
c/o CAGLE PUGH

4301 Westbank Drive, Bldg. A, Ste. 150
Austin, TX 78746
(737) 261-0600
Plaintiff

Jakob Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619
Defendant

Stephanie Chang a/k/a Stephanie Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619
Defendant

REQUIRED DISCLOSURE NO. 6: A copy—or a description by category and location—of all documents, electronically stored information, and tangible things that the responding party has in its possession, custody, or control, and may use to support its claims or defenses, unless the use would be solely for impeachment.

RESPONSE: Please refer to exhibits attached to Plaintiff's Original Petition and Application for Temporary and Permanent Injunction.

REQUIRED DISCLOSURE NO. 7: Any indemnity and insuring agreements described in Rule 192.3(f).

RESPONSE: N/A

REQUIRED DISCLOSURE NO. 8: Any settlement agreements described in Rule 192.3(g).

RESPONSE: None at this time.

REQUIRED DISCLOSURE NO. 9: Any witness statements described in Rule 192.3(h).

RESPONSE: None at this time.

REQUIRED DISCLOSURE NO. 10: In a suit alleging physical or mental injury and damages from the occurrence that is the subject of the case, all medical records and bills that are reasonably related to the injuries or damages asserted or, in lieu thereof, an authorization permitting the disclosure of such medical records and bills.

RESPONSE: N/A

REQUIRED DISCLOSURE NO. 11: In a suit alleging physical or mental injury and damages from the occurrence that is the subject of the case, all medical records and bills obtained by the responding party by virtue of an authorization furnished by the requesting party.

RESPONSE: N/A

REQUIRED DISCLOSURE NO. 12: The name, address, and telephone number of any person who may be designated as a responsible third party.

RESPONSE: N/A

REQUIRED DISCLOSURE NO. 13: Any testifying expert disclosures required by Rule 194.3 and described in Rule 195.5.

RESPONSE:

Adam Pugh
Marla Jones
CAGLE PUGH
4301 Westbank Drive, Bldg. A, Ste. 150
Austin, TX 78746
(737) 261-0600
adam.pugh@caglepugh.com
marla.jones@caglepugh.com

Mr. Pugh or Ms. Jones will testify to the reasonable and necessity of attorney's fees.

REQUIRED DISCLOSURE NO. 14: The name and, if not previously provided, the address, and telephone number of each witness—separately identifying those the party expects to present and those it may call if the need arises.

RESPONSE: See response to Required Disclosure No. 5 above.

REQUIRED DISCLOSURE NO. 15: An identification of each document or other exhibits, including summaries of other evidence—separately identifying those items the party expects to offer and those it may offer if the need arises.

RESPONSE: Plaintiff will supplement.

Plaintiff reserves the right to supplement all responses in accordance with the Texas Rules of Civil Procedure.

EXHIBIT

A

**THIRD AMENDED DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR
LA VENTANA**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HAYS §

THAT WHEREAS, LA VENTANA DRIFTWOOD, L.P., a Texas limited partnership, (the "Declarant"), is the owner of certain real property located in Hays County, Texas (the "Property"), as defined in Article I, Section 1.44 below, which Declarant proposes to develop and subdivide for residential purposes;

WHEREAS, that certain Second Amended Declaration of Covenants, Conditions and Restrictions For La Ventana dated April 11, 2000 was recorded as Document Number 00007993 with the Official Public Records of Hays County, Texas at Volume 1653, Pages 282 - 341B. Pursuant to Section 10.3 of the Second Amended Declaration, Declarant hereby amends the Original Declaration, as amended from time to time, to incorporate revisions deemed necessary or desirable for the Subdivision.

WHEREAS, that certain Supplemental Declaration to the Declaration of Covenants, Conditions and Restrictions for La Ventana dated January 8, 2001 was recorded as Document Number 01000670 with the Official Public Records of Hays County, Texas at Volume 1757, Pages 800-802, which added La Ventana West, as defined therein, to the Subdivision and imposed all of the terms and provisions of the Declaration to La Ventana West;

WHEREAS, the purpose of this Declaration is to preserve so far as possible the natural beauty of the Property; to avoid harsh contrasts between structures and landscape; to protect against the erection of poorly designed or disproportional structures or use of unsuitable materials; to encourage and secure the erection of attractive improvements which are harmonious with their sites; and in general, to enhance the environmental quality and economic value of the Property; and

WHEREAS, La Ventana Ranch Owners Association, Inc., has been incorporated under the laws of the State of Texas as a nonprofit corporation, and has been granted powers of administering and enforcing said covenants, restrictions, charges, and liens and disbursing the assessments and charges created in this Declaration; and

WHEREAS, Declarant desires to convey the Property subject to certain protective covenants, conditions, restrictions, liens, and charges set forth below; and

WHEREAS, Declarant desires to create and carry out a uniform plan for the improvement, development and sale of the Property for the benefit of the present and future Owners of the Property, and in connection therewith, Declarant hereby adopts and establishes the following declarations, reservations, restrictions, covenants, conditions, liens, charges and easements to apply uniformly to the use, improvement, occupancy and conveyance of all of the Property, including the roads, avenues, streets, alleys and waterways therein.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That it is hereby declared (i) that all of the Property shall be held, sold, conveyed and occupied subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the Property and shall be binding on all parties having any right, title, or interest in or to the property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof; and (ii) that each contract or deed which may hereafter be executed with regard to the Property or any portion, thereof shall conclusively be held to have been executed, delivered, and accepted subject to the following covenants, conditions, and restrictions regardless of whether or not the same are set out or referred to in said contract or deed.

ARTICLE I
DEFINITIONS

Unless the context otherwise specifies or requires, the following words and phrases when used in this Declaration shall have the meanings hereinafter specified:

1.1 **Architectural Committee.** "Architectural Committee" (hereinafter sometimes called "Committee") shall mean the committee created pursuant to this Declaration to review and approve Plans and Specifications for the construction of Improvements upon the Property and having the authority and responsibility delegated thereto by this Declaration.

1.2 **Architectural Committee Rules.** "Architectural Committee Rules" shall mean the rules and regulations adopted by the Architectural Committee, as the same may be amended from time to time.

1.3 **Articles.** "Articles" shall mean the Articles of Incorporation of La Ventana Ranch Owners Association, Inc., which have been filed in the office of the Secretary of State of the State of Texas, and as amended from time to time.

1.4 **Assessment(s).** "Assessment(s)" shall mean assessment(s) levied by the Association and includes both regular and special assessment(s) as provided under the terms and provisions of this Declaration.

1.5 **Association.** "Association" shall mean La Ventana Ranch Owners Association, Inc., (sometimes referred to as "ROA"), as created and empowered under and in accordance with this Declaration.

1.6 **Association Property.** "Association Property" shall mean all real or personal property now or hereafter owned by or leased to the Association.

1.7 **Beneficiary.** "Beneficiary" shall mean a mortgagee under a mortgage or a beneficiary under a deed of trust.

1.8 **Board.** "Board" shall mean the Board of Directors of the Association.

1.9 **Builder.** "Builder" shall mean any professional homebuilder engaged in the business of constructing new homes for sale in the Subdivision. A Builder is also an Owner as defined herein.

1.10 **Building.** "Building" shall mean a structure, including a residence, having a roof supported by columns or walls.

1.11 **Bylaws.** "Bylaws" shall mean the Bylaws of the Association which may be adopted by the Board, as the Bylaws may from time to time be amended, and which is attached hereto as Exhibit "C".

1.12 **Commercial Lot 1.** "Commercial Lot 1" shall mean that parcel of land within the Subdivision designated on the Plat as Lot "C-1", comprising approximately 16.0 acres.

1.13 **Common Area.** "Common Area" (also known as "Greenbelt") shall mean (a) all portions of the Subdivision designated as common area on the Plat, (b) any and all sites, tracts or parcels of land within the Property (including Ponds and the Corral) designated by Declarant as common areas and conveyed to the Association for the common benefit of the Owners, (c) the Private Roads and dedicated rights of way, (d) any drainage facilities (such as culverts), which require maintenance, repair or management by the Owners or the Association, and (e) all improvements, equipment, and other facilities located on any of the above described properties which are owned, operated, maintained, and/or repaired by the Association.

1.14 **Compost Area.** "Compost Area" shall mean that specific area designated by Declarant in the Subdivision as the Compost Area.

1.15 **Corral.** "Corral" shall mean that specified portion of the Common Area surrounded by Lots E1, E2, E3, E4, E5, E6, E7, E8, E9, E10, E11 and E12, which is fenced and owned by the Association for the common use and enjoyment of the Owners and is subject to the rules and regulations which apply to the use and enjoyment of the Corral.

1.16 **Creek Bed.** "Creek Bed" shall mean any portion of the Property where water would collect and flow in times of rainfall.

1.17 **Declarant.** "Declarant" shall mean La Ventana Driftwood, L.P. a Texas Limited Partnership, its parent, subsidiaries and affiliates, and their duly authorized representatives, or their respective successors, or assigns; provided, however, that any assignment of the rights of La Ventana Driftwood, L.P., a Texas Limited Partnership, by Declarant must be expressly set forth in writing and the mere conveyance of a portion of the Property without written assignment of the rights of Declarant shall not be sufficient to constitute an assignment of the rights of Declarant hereunder.

1.18 **Declaration.** "Declaration" shall mean this instrument, as the instrument may from time to time be amended or supplemented.

1.19 **Development.** "Development" shall mean any construction undertaken by Declarant in the Subdivision.

1.20 **Equestrian Activity.** "Equestrian Activity" shall mean activity of any kind involving horses, including but not limited to riding, training, boarding, feeding, cleaning, caring for, jumping, breaking, stabling, grazing, roping, etc.

1.21 **Equestrian Lot(s).** "Equestrian Lot(s)" shall mean Lots E1, E2, E3, E4, E5, E6, E7, E8, E9, E10, E11, E12, vacate and re-plat Lots 26 and 27 to 26R, vacate and re-plat of Lots 28 and 29 to 28R, as well as any other Lots so designated by Declarant, whether now or in the future, in the Subdivision.

1.22 **Flat Creek.** "Flat Creek" shall mean that portion of Flat Creek which runs through the southeast portion of the Subdivision.

1.23 Front Fields. "Front Fields" shall mean that portion (approximately 109 acres) of the Common Area located on the northern most portion of the Subdivision.

1.24 Governmental Authority. "Governmental Authority" shall mean the United States of America, the State of Texas, Hays County, and any other political or governmental subdivision in which the Property is located, in whole or part, and any other political subdivision, agency or instrumentality exercising jurisdiction over the Property.

1.25 Governmental Requirements. "Governmental Requirements" shall mean all laws, statutes, codes, ordinances, rules and regulations of any government authority applicable to the Property and/or the use, enjoyment, operation, maintenance or ownership of the Property.

1.26 Guest House. "Guest House" shall mean any Improvement located on a Lot which is smaller than the Main House and accommodates habitation for people on a temporary basis. Guest House shall also include any Improvements located on a Lot which serves as a studio or office.

1.27 Improvement(s). "Improvement(s)", as used interchangeably in this Agreement, shall include buildings, dwellings, roads and other structures and all appurtenances thereto of every type and kind, including but not limited to outbuildings, storage sheds, patios, tennis courts, swimming pools, garages, storage buildings, playscapes, tree houses, swing sets, fences, screening walls, retaining walls, stairs, steps, porches, mailboxes, walkways, driveways, decks, landscaping, poles, signs, exterior air conditioning, water softener reservoirs, pumps, wells, tanks, pipes, lines, meters, antennae, aerials, satellite dishes, wind generators, solar collectors, towers and other facilities used in connection with water, sewer, gas, electric, telephone, regular or cable television and other utilities.

1.28 La Ventana Restriction(s)/Restriction(s). "La Ventana Restriction(s)" or "Restriction(s)" shall mean this Declaration and the deed restriction(s) contained herein, as the same may be amended from time to time, together with the La Ventana Rules, any Committee Rules and the Articles and Bylaws of the Association from time to time in effect, as the same may be amended from time to time.

1.29 La Ventana Rule(s). "La Ventana Rule(s)" shall mean the rule(s) and regulations adopted by the Board, including, but not limited to, the Articles, Bylaws, Ranchers Club Rules, Pool and Spa Rules, Clubhouse Rules, Exercise Room Rules, Corral Rules, Stable Rules and Common Area Rules as the same may be amended from time to time.

1.30 Lot(s). "Lot(s)" (sometimes referred to as "Homesite(s)") shall mean any parcel or parcels or land within the Property shown as a subdivided lot or homesite on a recorded plat of any portion of the Property, together with all Improvements located thereon.

1.31 Main House. "Main House" shall mean any Improvement located on a Lot which constitutes and serves as the primary single family residence.

1.32 Manager. "Manager" shall mean the person(s), firm or corporation, if any, employed by the Association for management responsibilities pursuant to this Declaration and/or delegated by the Board any duty, power or function of the Association.

1.33 Member. "Member" shall mean any person or entity holding membership rights in the Association and shall have the same meaning as "Owner" defined herein.

1.34 Mortgage. "Mortgage" shall mean any mortgage or deed of trust covering any portion of a Lot given to secure the payment of a debt.

1.35 Mortgages. "Mortgages" or "Mortgagees" shall mean the holder or holders of any Mortgage or Mortgages.

1.36 Owner. "Owner" shall mean a person or entity including Declarant, holding a fee simple interest in any Lot or Undeveloped Lot, but shall not mean a Mortgagee until and unless any such Mortgagee acquires and owns a fee simple interest in a Lot.

1.37 Ranchers Club. "Ranchers Club" shall mean that portion of the Common Area located on the southeast portion of the Subdivision and designated as Ranchers Club by Declarant where the Clubhouse, community pool, tennis center, golf range and other amenities are located.

1.38 Perimeter Path. "Perimeter Path" shall mean that portion (approximately 25-foot strip/path) of the Common Area which is designated as a horse/hike/bike trail by Declarant and which substantially borders the perimeter of the Subdivision, not including La Ventana West.

1.39 Person. "Person" shall mean any individual, corporation, partnership (general or limited), joint venture, trust (or trustee), executor, administrator, guardian, association, estate or other entity having the legal right to hold title to real property.

1.40 Plans and Specifications. "Plans and Specifications" shall mean any and all documents designed to guide or control the construction, erection, removal or material alteration of any Improvement on any Lot, including but not limited to those indicating location, size, shape, configuration, materials, site plans, excavation and grading plans, foundation plans, drainage plans, landscaping and fencing plans, elevation drawings, floor plans, specifications on all building products and construction techniques, samples of exterior colors, plans for utility services, and all other documentation or information relevant to such Improvement.

1.41 Plat. "Plat(s)" shall mean the map(s) or plat(s) recorded in the Plat Records of Hays County, Texas, evidencing and providing for the subdivision of the Property known as La Ventana and La Ventana, a subdivision formed in accordance with applicable Governmental Requirements relating to the subdivision of property in Hays County, Texas.

1.42 Pond(s). "Pond(s)" shall mean any tank, pond, reservoir, or body of water located on the Common Area.

1.43 Private Road(s). "Private Road(s)" shall mean the private roads located on the Common Area and providing access to the Lots and ingress to and egress from the Subdivision, as more fully shown and provided for on the Plat.

1.44 Property. "Property" shall mean and refer to all real property located in the Subdivision subject to this Declaration, according to, and as set forth on, the Plat and more fully described by metes and bounds on Exhibit "A" attached hereto, and for all purposes made a part of, this Declaration, including the real property added to the Subdivision known as La Ventana West and any other real property added to the Subdivision which may be added to the Subdivision in the future by Declarant.

1.45 Street Side Right(s)-of-Way. "Street Side Right(s)-of-Way" shall mean that part of the right-of-way situated between the edge of pavement of the Private Road and a Lot line.

1.46 Subdivision. "Subdivision" shall mean La Ventana, the subdivision formed by Declarant pursuant to this Declaration, as shown in the Real Property Records of Hays County, Texas and any

property added to the Subdivision in accordance with the terms herein, including, but not necessarily limited to La Ventana West.

1.47 Undeveloped Lot(s). "Undeveloped Lot(s)" shall mean any parcel(s) of land in the Subdivision owned by Declarant which is not a Lot.

ARTICLE II DEVELOPMENT OF THE PROPERTY

2.1 Development by Declarant. Declarant or its transferee may divide or subdivide the Property, designate any portion of the Property to be a separate Area, develop all or any portion of the Property and, at Declarant's option, dedicate parts of the Property as Common Areas and/or Greenbelt or for other purposes for the benefit of the developed areas, in accordance with the Declarant's master plan for the Property. It is contemplated that the Property will be developed pursuant to a master conceptual plan, which may, from time to time be amended or modified, in the sole discretion of Declarant.

2.2 Addition of Land. Declarant, and other persons with Declarant's written consent, may develop certain real property now owned or hereafter acquired by Declarant. Declarant may, at any time and from time to time, add additional lands to the Property and upon the filing of a Notice of Addition of Land as hereinafter described, this Declaration and the covenants, conditions, restrictions and obligations set forth herein, shall apply to the added lands and the rights, privileges, duties and liabilities of the Persons subject to this Declaration shall be the same with respect to the added land as with respect to the lands originally covered by this Declaration. Permission from the Association and/or the Owners is not required for the addition of land. In order to add lands to the Property hereunder, Declarant shall be required only to record in the Real Property Records of Hays County, Texas, a notice of Addition of Land (which notice may be contained within any Supplemental Declaration affecting such land) containing the following provisions:

- (a) A reference to this Declaration, which reference shall state the book and page numbers of the Hays County Real Property Records wherein this Declaration is recorded;
- (b) A statement that all of the provisions of this Declaration shall apply to the added land;
- (c) A legal description of the added land; and
- (d) A legal description of all Common Area to be owned by the Association within the added land.

2.3 Withdrawal of Land. Declarant, and others with Declarant's written consent, may, at any time and from time to time, reduce or withdraw areas from the Property, and upon such withdrawal, this Declaration and the covenants, conditions, restrictions, obligations and liens set forth herein shall no longer apply to those lands withdrawn. The procedure for withdrawal of land shall be substantially the same as set forth above in Section 2.2 for the addition of land except that the instrument shall be designated as a Notice of Withdrawal of Land and the provisions of such Notice shall be modified as necessary to provide for the withdrawal of land rather than the addition of land.

ARTICLE III
RESTRICTIONS

All of the Property (except for Commercial Lot 1) shall be owned, encumbered, mortgaged, leased, used, occupied, enjoyed, sold and conveyed subject to the following terms, conditions, covenants, and restrictions in this Article III:

3.1 **Antennas.** Exterior radio or television antennas, or aerial or satellite dish receivers, or other devices designed to receive telecommunication signals, including, but not limited to, radio, television or microwave signals which are intended for cable television, network television reception, internet, cellular telephones or entertainment or business purposes may be erected or maintained only with the prior written approval of the Architectural Committee.

3.2 **Main House/Guest House.** No more than one (1) Main House and one (1) Guest House shall be constructed or placed on any Lot. The restrictions and limitations in this Section 3.2 shall not prohibit, restrict or limit the number of other Improvements on a Lot which are appurtenant to any dwelling on a Lot or which are placed on a Lot for any other lawful and permitted purpose, including, without limitation, greenhouses, outbuildings (so long as constructed to match the exterior of the Main House), patios, tennis courts, swimming pools, garages, cabanas, playscapes, tree houses, swing sets, fences, screening walls, retaining walls, porches, driveways, decks, air conditioning equipment, water softening fixtures or equipment, exterior lighting fixtures and equipment, and meters. Unless the prior written approval of the Architectural Committee is obtained, no Improvement constructed or placed on any Lot shall exceed the height of the Main House on such Lot.

3.3 **Insurance Rates.** Nothing shall be done or kept on the Property which would increase the rate of insurance or cause the cancellation of insurance on any Lot or any of the Improvements located upon any Lot of the Common Area without the prior written approval of the Board. For purposes of this paragraph, the construction, maintenance and use of a swimming pool upon any Lot which complies with the provisions of Section 3.31 hereof and is ancillary to and connected with the construction and use of a single-family dwelling upon such Lot is deemed to be an acceptable and permitted use under the terms of this paragraph.

3.4 **Compliance with and Violation of Provisions of Restrictions.** Each Owner shall comply with the provisions of La Ventana Restrictions, as the same may be amended from time to time. Failure to comply with any of the La Ventana Restrictions shall constitute a violation of this Declaration and shall give rise to the following rights and remedies:

(a) A violation by an Owner, his or her family, guests, lessees or licensees, of the La Ventana Restrictions shall authorize the Board to avail itself of any one or more of the following remedies:

(1) The imposition of a "special charge" not to exceed One Hundred Dollars (\$100.00) per violation, to the extent permitted by applicable law;

(2) The suspension of such Owner's rights to use any Association Property for a period not to exceed thirty (30) days per violation;

(3) The right to enter the Property and Improvements, after forty-eight (48) hours notice of the violation, and cure or abate such violation and to charge the expenses thereof, if any, to such Owner; or

(4) The right to seek injunctive or any other relief provided or allowed by law against such violation and to recover from such Owner all its expenses and costs in connection therewith, including but not limited to, attorney's fees and court costs.

Each day a violation continues shall be deemed a separate violation.

(b) The voting rights of an Owner who fails to pay any Assessment authorized or permitted by this Declaration, or a special charge authorized in this Section 3.4, shall automatically be suspended and shall remain suspended until any such Assessment or special charge, including penalty, interest and attorney's fees added to such Assessment as authorized in Article VII hereof, is paid in full.

3.5 Subdividing. No Lot shall be further divided or subdivided nor may any easements or other interests herein less than the whole conveyed by the Owner thereof; provided, however, that if the Declarant is the Owner thereof, Declarant may further divide and subdivide any Lot and convey any easement or other interest less than the whole, all without the approval of the Architectural Committee...

3.6 Mergers. Upon a merger or consolidation of the Association with another association, its properties, rights, and obligations may, by operation of law, be transferred to the surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association, and the surviving or consolidated association shall possess such properties, rights and obligations in the same manner as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restriction established by this Declaration within the Property together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants established by this Declaration pertaining to the Property except as hereinafter provided. No merger or consolidation of the Association shall be effective without the written consent of Declarant.

3.7 Signs. Declarant and any other person or entity engaged in the construction and/or sale of a residence within the Subdivision shall be permitted to place, during the period of development, construction, sale and resale of houses in the Subdivision, one (1) "For Sale/Builder/Etc." sign of less than four (4) square feet in size. Subcontractors' signs are not allowed. Notwithstanding the foregoing, the appearance and location of all signs must be acceptable to the Architectural Committee. Security related signs are permitted. Plaques and/or monuments naming the Lot are allowed. Declarant and the Association may erect signs for any purpose, including marketing, on the Property. The foregoing specifically prohibits Lot Re-Sale signs unless approved by the Committee.

3.8 Rubbish and Debris. No rubbish or debris of any kind (including weeds, brush or material of any nature deemed to be rubbish or debris by the Committee) shall be placed or permitted to accumulate upon the Property and no odors shall be permitted to arise therefrom so as to render the Property, or any portion thereof, unsanitary, unsightly, offensive or detrimental to any other Property or to its occupants. No horse manure shall be allowed to accumulate on the Equestrian Lots. Horse manure shall be disposed of regularly and kept at a minimum at all times. The Architectural Control Committee shall determine what constitutes rubbish, debris or odors and what conditions render any portion of the Property unsanitary, unsightly, offensive or detrimental to any other Property or to its occupants; and the decision of the Architectural Control Committee shall be final and binding on the parties. Refuse, garbage and trash shall be kept at all times in covered containers, and such containers shall be kept within enclosed structures or appropriately screened from view except for designated trash collection days. In the event that the Owner or permitted occupants of any Lot shall fail to keep, or cause to be kept such Lot or Improvements thereon free from rubbish or debris of any kind, and such failure or refusal shall continue for fifteen (15) days after delivery of written notice thereof, then the Association may, but shall not be obligated to, enter upon the

Property and remove or correct the same at the expense of the Owner of such Lot and such entry shall not be deemed to be a trespass. Owners may dispose of yard rubbish, clippings, and other organic debris at the Compost Area. Compost may be used by Declarant, the Association and Owners. No burning of any kind is allowed on any Lot except that Declarant is allowed to burn during any Development Activity and the Association is allowed to burn at the Compost Area.

3.9 Garbage Containers. The Association may contract with a licensed trash removal service to serve the garbage collection needs of the Property, with each Owner paying for the service to his or her Lot.

3.10 Nuisances. No noise, light pollution or other nuisance shall be permitted to exist or operate upon any of the Lots so as to be offensive or detrimental to any other of the Lots or to its occupants (other than security devices used exclusively for security purposes).

3.11 Construction of Improvements. No Improvements shall hereafter be constructed upon any portion of the Property without the prior written approval of the Plans and Specifications for the Improvement(s) by the Architectural Committee. The positioning of all Improvements upon Lots within the Property is also hereby expressly made subject to Architectural Committee review and approval. The Architectural Committee may, but shall not be required to, prevent or allow the construction of a proposed Improvement based upon the effect it will have upon the view from any other Lot. The Architectural Committee may consider the effect the Improvement will have on the Subdivision as a whole, it being expressly understood that neither Declarant, the Board or the Architectural Committee, in its sole judgement, nor the members thereof, shall be liable to any Owner in monetary damages or otherwise due to the construction of any Improvement within the Property or the creating thereby of an obstruction to the view from an Owner's Lot or Lots.

3.12 Repair of Buildings. All Improvements upon any of the Lots shall at all times be kept in good condition and repair and adequately painted or otherwise maintained by the Owner thereof. The opinion of the Architectural Control Committee as to condition shall be final. The Owner shall repair any Improvement if required to do so by the Architectural Committee.

3.13 Alteration or Removal of Improvements. The construction or material alteration of any Improvement on any Lot other than normal maintenance, which in any way materially alters the exterior appearance of any Improvement, and/or the removal of any material portion of any Improvement on any Lot shall be performed only with the prior written approval of the Architectural Committee.

3.14 Roofing Materials. No reflective, white or bright colored roofing materials shall be permitted on any Improvement. The minimum standards for roof shingles shall be dimensional, 300 pounds per square, 25 year shingles or better. Non-glistering metal or tile roofs, including drain gutters, shall be permitted. The Committee shall have the sole discretion and right to approve or reject in writing all roofing materials to be used on any Improvement and a failure or refusal to approve is a rejection.

3.15 Liability of Owners for Damage to Common Area and Facilities. No Owner shall in any way alter, modify, add to or otherwise perform any work upon the Common Area, including, but not limited to, trees and landscaping, without the prior written approval of the Board, except that each Owner shall be responsible for upkeep and maintenance of their Street Side Right-of-Way adjacent to their Lot. Each Owner shall be liable to the Association for any and all damages to (i) the Common Area, or (ii) any Improvements constructed on any Lot, the maintenance of which has been assumed by the Association, which damage is caused by the neglect, misuse or negligence of such Owner any tenant or other occupant of such Owner's Lot, or any guest or invitee of such Owner. The full cost of all repairs of such damage shall be an Assessment against such Owner's Lot, secured by a lien against such Owner's Lot and collectible in the same manner as provided in Article VI hereof, including but not limited to foreclosure of such lien.

3.16 Underground Utility Lines. No utility lines, including, but not limited to, wires or other devices for the communication or transmission of telephone or electric current or power, cable television or any other type of line or wire shall be erected, placed or maintained any where in or upon any portion of the Property unless the same shall be contained in conduit or cables installed and maintained underground or concealed in, under or on buildings or other Improvements as approved in writing by the Committee; provided, however, that no provision hereof shall be deemed to forbid the erection of temporary power or telephone structures incident to the construction of buildings or other Improvements which have been previously approved in writing by the Committee. Notwithstanding any provision herein to the contrary, Declarant and the Association are hereby exempt from compliance with this Section 3.16.

3.17 Drainage. There shall be no interference with the established drainage patterns over any of the Property, except by Declarant, unless adequate provision is made for proper drainage and approved by the Architectural Committee. All drainage structures under private driveways shall be constructed out of concrete or rock and have a net drainage opening area of sufficient size to permit the free flow of water without backwater. Metal drainage structures or culverts under driveways are not permitted. All drainage structures shall be subject to the approval of the Architectural Committee. Owners are responsible for the construction, upkeep and repair of drainage structures or culverts under their driveways, regardless if such structure is located in a Street Side Right-of-Way.

3.18 Creek and Tributary Obstructions. No obstructions of any type, including, but not limited to, fences, dams, and concrete walkways, shall be placed in, on, or across any Creek Bed adjoining or running through any Lot in the Subdivision, except by Declarant or Association.

3.19 Filling, Cutting and Slope Control. The Architectural Committee shall carefully review all proposed Improvements which will be placed on Lots with slopes exceeding twenty (20%) percent, and all filling and cutting of the terrain on such Lots shall be kept at a minimum. The Architectural Committee may require "pier and beam" type foundations for the Improvements on such Lots in lieu of standard "slab on grade" foundations if, in its sole discretion, the Architectural Committee so elects.

3.20 Solar Equipment. All usage of solar equipment must be approved in writing by the Architectural Committee. Solar collectors shall not be permitted to be installed upon any Improvements on any Lot in a fashion that would cause a glare to adjoining Lots or detract from the design of the structure.

3.21 Hazardous Activities. No activities shall be conducted or allowed to exist on any Lots and no Improvements shall be constructed on any Lot that are or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, activities that are expressly prohibited include (1) any activities which may be offensive or hazardous by reason of odor, fumes, dust, smoke, noise, vibration or pollution, or which are hazardous by reason of excessive danger, fire or explosion, or (2) the discharge or leakage of any type of hazardous or toxic chemical or material, provided, however, materials and activities that are customarily used for residential and agricultural purposes, including construction shall be allowed on the Lots. Additionally, no firearms or fireworks shall be discharged upon the Property, no open fires shall be lighted or permitted except in a contained barbecue unit (while attended and in use for cooking purposes), within a safe and well-designed interior fireplace, or such campfires or picnic fires in the Common Areas designed for such use by Declarant or by the Association.

3.22 Temporary Structures. No tent, shack, mobile home, trailer, or other temporary building, improvement, or structure shall be placed upon the Property, without the prior written approval of the Architectural Committee; provided, however, that temporary structures necessary (i) for the storage of tools and equipment and (ii) for office space for architects, builders, and foremen during actual construction or a residence and temporary structures necessary for providing office space for builders and their

representatives to market residences to prospective purchasers may be maintained with the prior approval of the Architectural Committee, such approval to include the nature, size, duration, and location of each structure.

3.23 Mining and Drilling. No portion of any Lot shall be used for the purpose of mining, quarrying, drilling, boring, or exploring for or removing oil, gas, or other hydrocarbons, minerals of any kind, water, rocks, stones, sand, gravel, aggregate, or earth, or for any mineral development or production activities at any time. This restriction shall not apply to the removal or deposit of rocks, stones, sand, gravel, aggregate, or earth as necessary in connection with the construction of any Subdivision improvements such as streets, sidewalks, curbs, gutters, drainage systems or utilities or as may otherwise be required in connection with the construction of any improvements approved by the Architectural Committee. Declarant, and/or any water utility company owned or controlled by Declarant, shall have the exclusive right to drill a water well or wells on any Common Area or sanitary easement of record within the Subdivision (including the placement of surface equipment) to any depth and capture any quantity of water it deems necessary for the operation of its business. This right is assignable by the foregoing entities and the Association shall acknowledge any such assignment when presented. Lot number 50 shall be entitled to use the existing water well located thereon for its own landscaping/irrigation purposes only. Commercial Lot 1 shall be entitled to use the existing water well located thereon for any purpose or additional water wells for any legal use may be drilled.

3.24 Unightly Articles: Vehicles. The intent of this section is to prohibit the view of unsightly articles and unsightly vehicles (as deemed such by the Committee) located on any Lot. No article deemed to be unsightly by the Architectural Committee shall be permitted to remain on any Lot so as to be visible from adjoining Property or public or private thoroughfares. Without limiting the generality of the foregoing, graders, trucks other than pickups, boats, tractors, campers, wagons, buses, motorcycles, motor scooters, and garden maintenance equipment shall be kept at all times, except when in use, in enclosed structures or completely screened from view and no repair or maintenance shall be done on any of the foregoing, or on any automobile (other than minor emergency repairs), except in enclosed garages or other structures. Each single-family residential structure constructed within the Property shall have garage space sufficient to house at least two (2) vehicles. Lot owners shall not keep more than two (2) automobiles in such manner as to be visible from any other portion of the Property for any period in excess of seventy-two (72) hours. No automobiles or other vehicles may be parked after dark or overnight on any roadway within the Property. Service areas, storage areas, compost piles and facilities for hanging, drying or airing clothing or household fabrics shall be appropriately screened from any view, and no lumber, grass, plant waste, shrub or tree clippings, metals, bulk materials or scrap or refuse trash shall be kept, stored or allowed to accumulate on any portion of the Property except within enclosed structures or appropriately screened from view. Equestrian Lot Owners may park one (1) horse trailer next to each stable provided such parking space is covered in accordance with this Declaration.

3.25 Mobile Homes, Travel Trailers, Cattle Trailers and Recreational Vehicles. No mobile homes shall be parked or placed on any Lot at any time, and no travel trailers, cattle trailers, or recreational vehicles shall be parked on or near any Lot so as to be visible from adjoining Property or public or private thoroughfare for more than forty-eight (48) hours.

3.26 Fences. No fence, of any sort, shall be constructed on any Lot without the Architectural Control Committee's prior written approval. In order to obtain such approval, complete plans and specifications for any proposed fence must be submitted to and approved in writing by the Architectural Control Committee. The Architectural Committee may, in its discretion, prohibit the construction of any fence, or specify the materials of which any fence must be constructed, or require that any other proposed fence be screened by vegetation or otherwise so as not to be visible from other portions of the Property. In any case, the following types of fences are not permitted: chain link, barbed wire, game fences, and fences over seven (7) feet high. Wooden Privacy Fences are not favored by the Committee and shall only be

approved on a showing of good cause by Owner. This Restriction does not apply to Declarant, the Association, nor any existing fences on the Property.

3.27 **Restrictions Against Unlicensed Vehicles.** No unlicensed vehicles, including, but not limited to, 3-wheelers, 4-wheelers, or go-karts, shall be allowed to be driven upon the Property, including the Private Roads. Golf carts with tall caution flags are permitted. No motorized vehicles, licensed or unlicensed, shall be allowed to be driven or parked on any Undeveloped Lot(s) or the Common Area except paved roads or designated parking area(s). Declarant, its contractors, maintenance vehicles, and emergency vehicles are exempt from this Section.

3.28 **Animals-Household Pets.** No animals, including pigs, poultry, fowl, wild animals, cattle, sheep, goats or any other type of animal not considered to be a domestic household pet within the ordinary meaning and interpretation of such words may be kept, maintained or cared for on the Property, except for the animals, including horses, subject to Section 3.54, longhorn cattle, llamas and other livestock and wildlife that Declarant or the Association determines to own and raise and/or manage on the Common Area. No animal shall be allowed to make an unreasonable amount of noise or to become a nuisance, through noise or otherwise, and no domestic pets will be allowed on the Property other than on the Lot of its Owner unless confined to a leash. No animal shall be allowed to run at large, and all animals shall be kept within enclosed areas which must be clean, sanitary and reasonably free of refuse, insects and waste at all times. Such enclosed area shall be constructed in accordance with plans approved by the Architectural Committee, shall be reasonably designed and constructed to adequately contain such animals in accordance with the provisions hereof, and shall be screened so as not to be visible from any other portion of the Property. In no event shall Pit bulls or other vicious or dangerous animals be allowed on the Property. The Front Fields are the "leash free" zone for pets belonging Owners so long as the pet Owner is present to supervise their pet(s) and the pet(s) are trained and obedient. Equestrian Lots are allowed the full time boarding of no more than two (2) horses each.

3.29 **Landscaping.** It is the intent of this Declaration to recognize, utilize and supplement the existing landscape and visual resources by retaining the natural character of the site with its rolling terrain and clusters of trees. It is the further intent to structure a viable introduced landscape, ensuring consistent quality and providing for visual harmony through color and textural variety. No fences, wall, hedge, shrub or tree planting which obstructs sight lines at elevations between three (3) and six (6) feet above the surface of any street or roadway shall be planted or permitted to remain on any corner Lot within the triangular area formed by the curb lines of such intersection streets and a line connecting such curb lines at points twenty-five (25) feet from their intersection, or, in the case of a rounded corner, from the intersection of the curb lines as extended. The same sight line limitations shall apply on any Lot within ten (10) feet of the intersection of a street curb line and the edge of a driveway or alley. No trees shall be permitted to remain within such distance of such intersections unless the foliage line is maintained at a height of more than six (6) feet above ground level. Anything herein to the contrary notwithstanding, the Committee may allow a ten (10) foot setback from a side street if the Committee, in its sole discretion, so elects. No tree (other than mountain juniper, commonly known as cedar) having a trunk with a diameter of six (6) inches or larger shall be removed from any Lot without the consent of the Committee.

The tree disease caused by the fungus *Ceratocystis fagacearum*, commonly known as Oak Wilt, is present on the Property and the Texas Hill County. Both red oaks and live oaks are susceptible to Oak Wilt and the disease has been diagnosed in more than sixty (60) Texas counties. The fungus spreads through the common root system of oaks. Existing trees shall be pruned and treated for diseases and insects in keeping with good arboricultural practice as deemed by the Committee. Owners must cooperate with the Association to control any tree disease present on Owner's Lot. In the event a tree larger than a ten (10) inch caliper, but smaller than sixty (60) inches in circumference, is removed or destroyed, the Owner of the Lot from which such tree was removed or destroyed will replace that tree with at least three (3) hardwood trees of a minimum

three (3) inch caliper or seven (7) inch circumference. This Restriction does not apply to Declarant or the Association.

3.30

Maintenance of Lawns, Plantings and Improvements and Street Side Rights-of-Way.

(a) In the event the Owner of any Lot shall fail to maintain such Lot, that portion of the Street Side Right-of-Way along the Lot, and the Improvements situated thereon in a neat and orderly manner, the Association, acting on its own or through the Architectural Committee, its agents and employees, shall have the right to enter upon said Lot and to repair, maintain, and restore the Lot and exterior of any and all buildings and other Improvements erected thereon, all at the expense of the Owner.

(b) The Owner of a Lot which includes a Creek Bed shall maintain the Creek Bed and banks free of weeds and debris and, if the Owner shall fail to do so, the Association shall have said area maintained at the expense of the Owner. Anything to the contrary contained in this paragraph notwithstanding, all Creek Bed maintenance performed by an Owner, or by the Association, shall be performed in accordance with all pertinent and specifically applicable regulations and the ordinance of the appropriate governmental entity.

(c) All plants, shrubs, trees, grass, and landscaping on a Lot shall be maintained in a trimmed and neat condition at all times. Declarant, the Association and the Architectural Committee shall have the right, at any reasonable time, to enter upon any Lot to replace, maintain and cultivate shrubs, trees, grass or other plantings located thereon, and to charge the cost thereof to the Owner of the Lot as provided herein.

(d) The Association shall have the sole authority to make a determination as to the acceptability of the maintenance and appearance of any Lot, and the Association shall have the absolute discretion and authority to determine the necessity for required maintenance of Lots within the Subdivision. No unsightly Lots shall be permitted at anytime.

3.31 Swimming Pools. Moveable aboveground swimming pools are strictly prohibited, excluding small "kiddy pools". All swimming pools must be in a fenced enclosure surrounding the swimming pool or access to that portion of the Lot upon which the swimming pool is located must be restricted with lockable access by fencing of adequate height. Such fence is to be approved by the Architectural Control Committee.

3.32 Main House Sites. Unless requirement is expressly waived in writing by the Committee, any Main House constructed on a Lot must have an enclosed living space of not less than two thousand eight hundred (2,800) square feet, exclusive of open and closed porches, decks, terraces, patios, balconies, driveways and garages. This requirement will only be waived by the Committee in circumstances where the Property or other characteristics of a Lot do not reasonably enable compliance with this requirement. This shall not apply to any residence or Building existing prior to the date of the original Declaration. The Committee may grant variances on this requirement on only those Lots which were contracted for prior to the date of filing this Declaration, but in no event shall the minimum enclosed living space requirement be less than 2,250 square feet.

3.33 Guest House Sites. Unless requirement is expressly waived in writing by the Committee, any Guest House constructed on a Lot must have an enclosed living space of not less than four hundred (400) square feet, exclusive of open and closed porches, decks, terraces, patios, balconies, driveways and garages. This requirement will only be waived by the Committee in circumstances where the Property or other characteristics of a Lot do not reasonably enable compliance with this requirement. This shall not apply to any residence or Building existing prior to the date of the original Declaration.

3.34 Masonry Construction. Without the prior written consent of the Architectural Committee, no structure or improvement (if applicable) may be constructed of more than ten percent (10%) exterior wood, with the remaining portion being of masonry construction. Brick, natural stone and stucco shall be considered to be masonry for purposes of this Section. In computing these percentages 1) all gables shall be excluded from the total area of exterior walls; 2) all windows and door openings shall be excluded from the total area of the exterior walls; 3) all underpinnings shall be excluded from the total area of the exterior walls; and 4) stone and masonry used on fireplaces, chimneys and walls of an attached garage may be included in the computation as stone, masonry or stucco is used. The decision of the Architectural Committee as to the percentage of exterior wood used, or shown on a construction plan, shall be final and binding on all parties. Hardy plank or hardy board shall not be considered a masonry product.

3.35 New Materials. Only new materials shall be utilized in constructing any structures situated upon a Lot, unless approved by the Committee.

3.36 Construction in Place. All dwellings constructed on the Property shall be built in place on the Lot. No pre-constructed, prefabricated or existing building or structure may be moved onto any portion of the Property without the prior written approval of the Architectural Committee.

3.37 Construction Standards. All construction must conform to plans and specifications approved in writing by the Architectural Committee. The criteria considered by the Architectural Committee may include, but shall not be limited to, whether the Plans and Specifications demonstrate that the improvement proposed would preserve the quality and atmosphere of the Property and not materially detract from the view or value of adjacent Lots. Once commenced, construction shall be diligently pursued to completion in order that improvements not be left in a partially finished condition any longer than is reasonably necessary.

3.38 Unfinished Improvements. No Improvements shall remain unfinished for more than one (1) year after the same has been commenced, unless prior written approval from the Architectural Committee has been received.

3.39 Improvement Location: Minimum Yards. Notwithstanding the general setback requirements set forth herein as to location of improvements upon any Lot, it is the intention of Declarant to establish the importance of locating such improvements in order to preserve existing natural trees, vegetation and topography to the greatest extent possible and practicable. The Architectural Committee shall be specifically empowered to require or grant variances with respect to such setback requirements in accordance with the review procedure set forth herein, so long as the resulting location of the improvements will not encroach upon any other Lot, utility easement or public right-of-way. In connection therewith, minimum yard and set-back requirements may be set by the Architectural Committee or Declarant in excess of those set forth above or those shown on any plat of the Subdivision through a Supplemental Declaration in order to maximize open areas, pedestrian, and vehicular movement, to preserve views from other Lots and to benefit the overall appearance of the Subdivision.

3.40 Setback Requirements. No Building shall be located on any of the Lots nearer to the front lot line or nearer to the side street line than the minimum setback lines shown on the recorded plat of the Subdivision as it pertains to such Lot or Lots. In any event, no Building shall be located nearer than fifty (50) feet from the front line, or nearer than fifteen (15) feet from any side Lot line, or nearer than thirty (30) feet from any rear Lot line, on interior Lots and fifteen (15) feet on corner Lots along the street side. The Committee shall have the right to impose such additional setback requirements as it deems necessary to preserve lines of sight from neighboring properties and Lots. The Committee shall be entitled to review and

modify the setback requirements for cul-de-sac Lots and/or any other Lots designated at any time by Declarant for which compliance with the foregoing setback requirements might be difficult or impossible.

3.41 **Rentals.** Nothing in this Declaration shall prevent the rental of an entire Lot and the Improvements thereon by the Owner thereof for residential purposes, on either a short or long-term basis. In such event, both Owner and tenant shall be responsible for compliance with this Declaration and all La Ventana Rules. No Lot, including Improvements on a Lot, may be leased to more than four (4) adults at any one time.

3.42 **Construction Activities.** Notwithstanding any provision herein to the contrary, this Declaration shall not be construed so as to unreasonably interfere with or prevent normal construction activities during the construction of Improvements by an Owner (including Declarant) upon any Lot within the Property. Specifically, no such construction activities shall be deemed to constitute a nuisance or a violation of this Declaration by reason of noise, dust, presence of vehicles or construction machinery, or posting of signs or similar activities; provided, however, that such construction is to be pursued to completion with reasonable diligence. Any mud, rocks or other debris which are tracked onto the Private Roads and Street Side Rights-of-Way from a Lot where Improvements are under construction shall be immediately cleaned up by the responsible Owner. Any damage to the Private Roads caused by construction activities shall be repaired by the Owner responsible for such damage. In the event of any dispute regarding such matters, a temporary waiver of the applicable provisions may be granted by the Architectural Committee; provided, however, that such waiver shall be only for a reasonable period of such construction.

3.43 **No Warranty of Enforceability.** While Declarant has no reason to believe that any of the restrictive covenants or other terms and provisions contained in this Article III or elsewhere in this Declaration are or may be invalid or unenforceable for any reason to any extent, Declarant makes no warranty or representation as to the present or future validity or enforceability or lack of enforceability of any such restrictive covenants, terms or provisions. Any Owner acquiring a Lot in reliance on one or more of such restrictive covenants, terms or provisions shall assume all risks of the validity and enforceability thereof, and, by acquiring the Lot, agrees to hold Declarant harmless therefrom.

3.44 **Identification of Lots.** Each Owner shall post the street address number for each single-family residence located on a Lot in the manner and location approved by the Committee.

3.45 **Fuel Tanks.** No butane or fuel tank (other than small tanks used for outdoor cooking) or other structure or facility for the storage of combustible fuel shall be placed or maintained on any Lot unless expressly authorized in writing by the Committee. Declarant and Association may store fuel for the operation and management of the Property.

3.46 **Prohibited Activities.** No professional, commercial, or trade venture or activity shall be conducted on any of the Lots; provided, however, that model homes and/or sales offices may be constructed and maintained by the Declarant, its successors and assigns, or Builders, in connection with the development of and the construction and sale of houses and Lots in the Subdivision. Subject to the prior written consent of the Committee, home offices to which the general public is invited, incidental to an Owner's business, may be maintained within such Owner's residence so long as, in the sole and absolute discretion of the Committee, activities conducted in connection with such home offices do not become an annoyance or nuisance to the neighborhood.

3.47 **Driveways and Garages.** All driveways shall be constructed of concrete, asphalt, pavers or masonry and shall be subject to written approval by the Committee. All garages shall be physically attached to the residence. All garages shall have functional automatic garage door openers installed. Front entry garages are prohibited, unless the topography, front building width, or tree location on a particular lot

dictates that a front loaded or front-swing loaded garage be employed, in which case, the Architectural Committee shall be free to grant a variance to the Owner of such Lot allowing for the construction of a front-loaded or front swing loaded garage. In all such cases, front-swing loaded garages shall be preferable over front entry garages. Under no circumstances, however, shall a variance be granted to allow a garage door to face La Ventana Parkway.

3.48 Window Materials. All windows on all Improvements in the subdivision shall utilize only clear or lightly tinted, non-reflective glass.

3.49 Hunting. No hunting shall be permitted or firearms discharged on the Property.

3.50 Septic Systems. All septic tank and soil absorption sewage disposal systems shall be constructed in accordance with the minimum requirements of the division of Sanitary Engineering of the Texas State Department of Health in conformity with the restrictions outlined on the recorded plat of the Subdivision and the La Ventana Rules, and shall be inspected by a duly authorized agent of the Hays County Health Department, and, if required by the ordinances, by any pertinent and specifically applicable governmental or quasi-governmental entity. Written certification by the inspecting authority that the system complies with applicable requirements shall be presented to the Committee by the Owner of a Lot prior to occupancy of the premises.

3.51 Mailbox. Owner shall construct a mailbox on each Lot as determined by the Committee and in cooperation with the U.S. Postal Service and any other applicable regulatory authority.

3.52 General Use Restrictions. The Property (except for Commercial Lot 1) shall be improved and used solely for single-family residential use, for Common Area, and for other permitted uses. (See Article IV.) Common Area may, subject to the approval of Declarant or the Association, in their sole and absolute discretion, be improved or landscaped and used for active and passive recreational and entertainment purposes as well as any other authorized purpose. However, in no circumstances, may any improvements be constructed on that portion of the Front Fields which lies to the east of La Ventana Parkway. Declarant may, in his sole and absolute discretion, permit other Improvements and uses. Declarant has the right to dedicate Common Area and Sanitary easements in connection with any utility serving the Subdivision. Notwithstanding anything contained in this Declaration to the contrary, Declarant reserves the right to continue to use any Undeveloped Lot and maintain the use of any existing Improvements thereon as is currently being used, or otherwise.

3.53 Building Height. No Improvement greater than thirty-five (35) feet in height may be constructed on the Property or any Lot within the Property without the prior written approval of the Architectural Committee. For purposes of this paragraph, height shall be measured from the highest point of the foundation to the highest point of the ridge line of the roof of the proposed Improvement. Notwithstanding any provision herein to the contrary, Declarant may, but shall not be obligated to, establish separate and more restrictive height restrictions and requirements applicable to one or more Lots within the Property to preserve and maintain overall aesthetic appearances of the Subdivision and Improvements therein, and such height restrictions and requirements shall control over the height restrictions set forth in the body of this Declaration, provided the height restrictions to such Property or Lots is filed of record prior to or as part of the conveyance of the Property or Lots by Declarant.

3.54 Equestrian Activity. Owners of Equestrian Lots are allowed to board up to two (2) horses full time on each Equestrian Lot. A stable(s) must be constructed on an Equestrian Lot if horses are boarded thereon. The stable(s) shall conform to construction standards set forth by the Architectural Committee. Such stable(s) shall be located on an Equestrian Lot with the following setback requirements and size requirements:

(a) Each stable shall be constructed parallel to and six (6) feet from the Corral fence and shall be located at the center point of the rear Lot line of each Equestrian Lot. No part of a stable shall exceed a distance greater than thirty-six (36) feet from the Corral fence. Stables on Equestrian Lots which do not back up to the Central Corral must receive approval from the Committee before constructed.

(b) Each stable shall be a minimum of five hundred seventy-five (575) square feet but not larger than nine hundred (900) square feet with a height of not less than sixteen (16) feet or greater than twenty-two (22) feet from the stable floor to the highest point in the stable roof.

(c) Equestrian Lot Owners may park one (1) horse trailer next to each stable provided such parking space is covered.

(d) Each stable must be kept clean and neat at all times. Equestrian Lot Owners shall keep the stable area clean and free of debris through frequent clean up and regular removal of horse manure. Organic debris may be disposed of in the Compost Area. Equestrian Lot Owners shall control and minimize insects and flies resulting from Equestrian Activity.

3.55 Corral. Every Owner is allowed to use the Corral at designated times to ride, train, or graze horses. Horses which are not owned by an Owner are not allowed in the Corral. Overnight boarding of any horse in the Corral is limited to three (3) nights per week. Equestrian Lot Owners shall clean up after the horses on a frequent basis and remove horse manure from Equestrian Lots and the Corral and dispose of same in the Compost Area. Owners who use the Corral shall control and minimize insects and flies resulting from Equestrian Activity.

3.56 Designated Horse Riding Areas. Horses may be ridden only in the following authorized areas:

- (1) Perimeter Path
- (2) Front Fields;
- (3) Undeveloped Lots (excluding Commercial Lot 1);
- (4) Designated horse right-of-ways and crossovers;
- (5) Corral; and
- (6) Equestrian Lots.

ARTICLE IV COMMERCIAL LOT 1

4.1 Commercial Lot 1. Commercial Lot 1 is hereby expressly exempt from the La Ventana Restrictions and La Ventana Rules. Declarant or any owner or lessee of all or part of Commercial Lot 1 is authorized to conduct commercial, agricultural, office, administrative, or any other legal activities, on Commercial Lot 1. In the event Declarant determines to re-plot any or all of Commercial Lot 1 into Lot(s), then this Declaration shall be amended and provide covenants, conditions and restrictions which would apply and pertain to such Lots, if any.

ARTICLE V
ARCHITECTURAL COMMITTEE

5.1 Membership of Architectural Committee.

(a) The Architectural Committee shall consist of not less than one (1) and not more than four (4) voting Members ("Voting Members"), and such additional non-voting Members serving in an advisory capacity ("Advisory Members") as Declarant, its successor or assigns deems appropriate.

(b) The Architectural Committee shall consider and is authorized to act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration and perform such other duties assigned to it by this Declaration or as from time to time shall be assigned to it by the Board. The Architectural Committee shall review Plans and Specifications submitted for its review and such other information as it may require relating to the provisions of this Declaration or to the question of whether any proposed Improvement would unreasonably obstruct the view from other portions of the Property. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth herein and the decision of the Architectural Committee shall be final and binding so long as it is not in conflict with these Restrictions and is made in good faith. The Architectural Committee may hire consultants, including engineers and architects, to assist it in its duties hereunder. The Architectural Committee, and its agents and employees, shall not be responsible for inspecting any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval of any Improvement as to structural safety, engineering soundness or conformance with any building or other codes, regardless of the hiring by the Architectural Committee of any consultants to assist it in its duties hereunder.

5.2 Action by Architectural Committee. Items presented to the Architectural Committee shall be decided by majority vote of the Voting Members. The Architectural Control Committee's approval shall not be unreasonably withheld or delayed. If the Committee fails to respond in writing to a request for approval specifying its objections within thirty (30) business days from the date of its receipt by the Committee, such approval shall be deemed to have been given.

5.3 Advisory Members. The Voting Members may from time to time designate Advisory Members.

5.4 Term. Each member of the Architectural Committee shall hold office until such time as he or she has resigned or has been removed and his or her successor has been appointed as provided herein.

5.5 Declarant's Rights of Appointment. Declarant, its successors or assigns, shall have the right to appoint and remove all members of the Architectural Committee. Declarant may delegate this right to the Board by written instrument. Thereafter, the Board shall have the right to appoint and remove all members of the Architectural Committee.

5.6 Adoption of Rules. The Architectural Committee may adopt such procedural and substantive rules, not in conflict with this declaration, as it may deem necessary or proper for the performance of its duties, including, but not limited to, a building code, a fire code, a housing code, and other similar codes as it may deem necessary and desirable. Each Owner shall comply with said rules as the same may be amended from time to time, and failure to comply with said rules shall constitute a default of this Declaration, and any Owner, including Declarant, at its sole expense and/or the Board may seek any of the remedies set forth herein for default of this Declaration.

5.7

Review of Construction Alteration or Removal of Improvements.

(a) Whenever in this Declaration the approval of the Architectural Committee is required, it shall have the right to consider all of the Plans and Specifications for the Improvement or proposal in question and all other facts which, in its sole discretion, are considered to be relevant. Except as otherwise specifically provided herein, prior to the commencement of any Improvement on the Property or any portion thereof, the Plans and Specifications therefor shall be submitted to the Architectural Committee, and such construction thereof may not commence unless and until the Architectural Committee has approved such Plans and Specifications in writing. The Architectural Committee shall consider and act upon any and all Plans and Specifications submitted for its approval pursuant to this Declaration, and perform such other duties assigned to it by this Declaration, or as from time to time shall be assigned to it by the Board, including the inspection of construction in progress to assure its conformance with the Plans and Specifications approved by the Architectural Committee. The Architectural Committee may review Plans and Specifications submitted for its review and such other information as it deems proper, including any information it may require relating to the question whether any proposed Improvement upon a Lot would unreasonably obstruct the view from other portions of the Property. Until receipt by the Architectural Committee of any information or document deemed necessary by the Architectural Committee, it may postpone review of any Plans and Specifications submitted for approval. No Improvement shall be allowed upon any Lot which would unreasonably obstruct the view from any other portion of the Property and no Improvement shall be allowed on any Lot which is of such size or architectural design or involves the use of such landscaping, color schemes, exterior finishes and materials and similar features so as to be incompatible with residential development within the Property. The Architectural Committee shall have the authority to disapprove any proposed Improvement based upon the restrictions set forth in the preceding sentence and the decision of the Architectural Committee shall not be binding, so long as it is made in good faith. The Architectural Committee shall not be responsible for reviewing any proposed Improvement, nor shall its approval of any Plans or Specifications be deemed approval thereof, with respect to structural safety, engineering soundness, or conformance with building or other codes.

(b) Any Plans and Specifications which are not acted upon within thirty (30) calendar days after they have been submitted to the Architectural Committee shall be deemed to have been approved by the Architectural Committee. This approval shall not apply to any situation in which the Architectural Committee notifies the submitting party that its submission is somehow incomplete or in cases where the Architectural Committee make a request for additional information with respect to those Plans and Specifications.

(c) Any party requesting approval of a set of Plans and Specifications for use with a particular Lot shall submit a site plan showing the position of all improvements on the Lot, a tree survey, and brick, mortar and exterior trim colors or samples as a part of those Plans and Specifications. The party submitting such plans shall be required to point out to the Architectural Committee, and the Architectural Committee shall have the right to review and approve, any material changes to or deviations from any previously approved set of Plans and Specifications. The Architectural Committee shall have the right to prevent the construction of any improvements which have, in the Architectural Committee's sole opinion, material changes to or deviations from any previously approved set of Plans and Specifications.

(d) The Architectural Committee may grant variances from compliance with any of the provisions of this Declaration or any Supplemental Declaration, including, but not limited to, restrictions upon height, bulk, size, shape, floor areas, land area, placement of structures, set-backs, building envelopes, colors, materials, or land use, when in the opinion of the Architectural Committee, in its sole and absolute discretion, such variance will not impair or detract from the high quality development of the Property and such variance is justified due to unusual or aesthetic considerations, topographic or septic considerations,

or unusual circumstances. All variances must be evidenced in writing, in recordable form, and must be signed by at least a majority of the Voting Members of the Architectural Committee. If a variance is granted, no violation of the covenants, conditions, or restrictions contained in this Declaration or any Supplemental Declaration shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration or of any Supplemental Declaration for any purpose except as to the particular Property and in the particular instance covered by the variance.

5.8 Nonconforming or Unapproved Developments. The Architectural Committee, at its option, may review all work in progress to ensure compliance with approved Plans and Specifications. The Architectural Committee may, with the prior approval of the Board, require any Owner, at Owner's sole expense, to restore such Owner's Lot to the condition existing prior to construction, alteration or removal of any Improvement or landscaping thereon, including without limitation the demolition and removal of any unapproved or nonconforming Improvement or landscaping, if such Improvement or landscaping was constructed or altered in violation of this Declaration. In addition, the Architectural Committee may, with the prior approval of the Board, but has no obligation to, cause such restoration, demolition and removal of any such Improvement or landscaping, and levy the amount of the cost thereof as a special individual assessment against the Lot upon which such unapproved or nonconforming Improvement or landscaping was constructed or altered.

5.9 Actions of the Architectural Committee. The Architectural Committee may, by resolution, unanimously adopted in writing, designate one or two of its members or an agent acting on its behalf to take any action or perform any duties for and on behalf of the Architectural Committee. In the absence of such designation, the vote of a majority of the members of the Architectural Committee, taken with or without a meeting, shall constitute an act of the Architectural Committee.

5.10 No Waiver of Future Approvals. The approval or consent of the Architectural Committee to any Plans or Specifications for any work done or proposed or in connection with any other matter requiring the approval or consent of the Architectural Committee shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any Plans and Specifications, or other matter whatsoever, subsequently or additionally submitted for approval or consent by the same or a different person.

5.11 Guidelines for Building at La Ventana: The Architectural Committee may promulgate a set of guidelines not in conflict with this Declaration for building and developing in the Subdivision which shall be general in nature and may be amended from time to time by the Architectural Committee.

5.12 Work in Progress. The Architectural Committee, at its option, may inspect all work in progress to insure compliance with approved Plans and Specifications.

5.13 Non-liability of Architectural Committee and Declarant. Neither the Architectural Committee, nor any Member thereof, nor the Board, nor any Member thereof, nor the Declarant and its officers, directors and partners, shall be liable to the Association or to any Owner or any other person for any loss, damage, or injury arising out of their being in any way connected with the performance of the duties of the Architectural Committee, the Board or Declarant, respectively, under this Declaration, unless due to the willful misconduct of the Architectural Committee or its Members, the Board or its Members, or the Declarant or its officers, directors and partners, as the case may be. Neither the Architectural Committee, nor any Member thereof, nor the Board, nor any Member thereof, nor the Declarant and its officers, directors and partners, shall be liable to any Owner, or to any other Person, due to the construction of any Improvement within the Property or the

resultant obstruction of the view from such Owner's Lot or Lots, or any other result of such construction or Improvement.

5.14 Submission of Final Plans and Specifications. The final Plans and Specifications shall be submitted in duplicate to the Architectural Committee in care of Lee P. Wood, 1501 Elder Hill Road, P. O. Box 250, Driftwood, Texas 78619, or such other address as may be designated from time to time by the Architectural Committee.

5.15 Fees. The Architectural Committee shall have the right to establish and collect a reasonable fee for each set of Plans and Specifications submitted for review. The initial fee shall be \$150.00 per submission. In addition, a fee may be charged to consider requests for variances, the amount of which shall be determined by the Architectural Committee.

ARTICLE VI THE ASSOCIATION

6.1 Organization. The Association is a Texas non-profit corporation created, or to be created, by Declarant for the purposes, and charged with the duties and vested with the powers, prescribed by law and as set forth in its Articles and Bylaws or in this Declaration. Neither the Articles nor Bylaw shall for any reason be amended or otherwise changed or interpreted so as to be inconsistent with this Declaration; if an inconsistency exists, this Declaration shall control. The Articles and Bylaws are attached hereto as Exhibits "B" and "C" respectively, and are incorporated herein for all purposes as if set out in their entireties.

6.2 Powers and Authority of the Association. Subject to such limitation and restrictions as are set forth in this Declaration, the Articles and Bylaws, the Association shall have the powers of a Texas non-profit corporation, including, but not limited to, all powers provided under the provisions of the Texas Non-Profit Corporation Act, as amended from time to time, or any successor act or statute. It shall further have the power to do and perform any and all acts which may be necessary or proper for, or incidental to, the exercise of any of the express powers granted to it by the laws of Texas or by this Declaration.

6.3 Indemnification.

(a) Indemnification. To the fullest extent permitted by applicable law, as the same exist or as they may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits broader limitation than permitted prior to such amendment), a Director of the ROA shall not be liable to the ROA for monetary damages, or otherwise, for an act or omission in the Director's capacity as a Director. Any amendment of these Bylaws shall be prospective only and shall not adversely effect any limitation on the personal liability of a Director of the ROA existing at the time of such repeal or amendment. In addition, the ROA shall be entitled to indemnify its Directors, officers, employees and/or Members, the Subdivision Manager (and its constituent partners and their respective directors, officers, employees, shareholders and/or members) and others acting on the ROA's behalf, including, without limitation, members of the Architectural Committee or other similar committees and any third-party agents and contractors, to the fullest extent allowed by applicable law. The Association shall indemnify any Person who was or is a party, or is threatened to be made a party, to any threatened, pending or contemplated action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director, officer, Architectural Committee Member, or employee of the Association (the "Indemnified Party or Parties") against reasonable expenses to be paid directly and as actually and reasonably incurred (including attorney's fees, judgments, fines and amounts paid in settlement, including interest, costs and expenses) by the Indemnified Party in connection with such action, suit or proceeding if it is found and determined by the Board or a Court of Law that the Indemnified Party 1) acted in good faith and in a

manner the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association or 2) with respect to any criminal action or proceeding, had not reasonable cause to believe the Indemnified Party's conduct was unlawful. The termination of any action, suit or proceeding by settlement, or upon a plea of *Nolo Contendere* or its equivalent, shall not of itself create a presumption that the Indemnified Party did not act in good faith or in a manner which the Indemnified Party reasonably believed to be in, or not opposed to, the best interests of the Association, or with respect to any criminal action or proceeding, had reasonable cause to believe that the Indemnified Party's conduct was unlawful.

Furthermore, without limiting the foregoing in any way, the Association does hereby agree to INDEMNIFY AND HOLD HARMLESS and does hereby INDEMNIFY AND HOLD HARMLESS the Indemnified Parties, jointly and severally, from any and all claims, debts, demands, liabilities, damages, defenses, counter-claims, cross-claims, third party actions, offsets, actions, judgments and causes of action, whether in contract, tort or equity, of whatever nature or character, both known and unknown, whether held or accrued in the past, present or to accrue in the future, including reasonable attorneys fees and expenses incurred, which may hereafter be asserted by any Person, firm, corporation or other entity, arising out of or in any way related to or connected with, directly or indirectly, any act or omission committed by the Indemnified Party in such Indemnified Party's official capacity as a director, officer, Architectural Committee Member, employee. This indemnity provision applies even if such claims, debts, demands, liabilities, damages, defenses, counter-claims, cross-claims, third party actions, offsets, actions, judgments and causes of action were caused in whole or in part by any obligation, act, omission, negligence, breach of contract, misconduct, violation of statutory or common law, breach of warranty, product defect, or conduct of any type by such Indemnified Parties.

(b) **Not Covered Owner and Member Obligations.** All liability, loss, damage, costs and expense incurred or suffered by the Association by reason or arising out of or in connection with the foregoing indemnification provisions shall be treated and handled by the Association as a general obligation of the Association; provided, however, that nothing contained in this Article VI shall be deemed to obligate the Association to indemnify any Member or Owner, who is not the Declarant, who is or has been director, officer, committee Member or non-compensated agent of the Association, with respect to any duties or obligations assumed or liabilities incurred by him or her under and by virtue of the restrictive covenants as a Member of the Association or Owner of a Lot covered thereby.

(c) **Insurance.** The Board may purchase and maintain insurance on behalf of any person who is or was a director, officer, committee member, employee, servant or agent of the Association, against any liability asserted against or incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability hereunder or otherwise.

ARTICLE VII ASSESSMENTS

7.1 **Assessments.** Assessments may be established by the Declarant up to one (1) year after recording of any final plat of the Subdivision, or by the Board of the Association upon the establishment of the Association, pursuant to the provisions of this Article VII and shall be levied on a uniform basis against each Lot within the Property, subject to the limitations and exceptions as contained herein. The amount of the Assessments shall be determined in accordance with the provisions of this Declaration.

Notwithstanding the foregoing, the Assessments provided for herein shall not, without the consent of the Declarant, apply to Lot(s) or Undeveloped Lot(s) owned by Declarant, as long as owned by Declarant;

however, upon any sale of such Lot(s) by Declarant, to a third party, then such Assessments thereafter shall thereupon be applicable to such Lot(s).

Each unpaid Assessment(s), together with such interest thereon and costs of collection thereof, as hereinafter provided, is the personal obligation of the Owner of the Lot(s) against which the Assessment(s) is due, and is secured by a continuing lien against the Lot(s) and all Improvements thereon. The Association may enforce payment of such Assessment(s) in accordance with the provisions of this Article.

7.2 **Funds.** The Board shall establish one or more funds into which all monies paid to the Association shall be deposited and from which disbursements shall be made in performing the functions of the Association under this Declaration. The funds of the Association shall be used solely for purposes authorized by this Declaration, as it may from time to time be amended.

7.3 **Regular Annual Assessment.** Prior to the beginning of each fiscal year, the Board or the Declarant, initially, shall estimate the expenses to be incurred by the Association during such year in performing its functions under the Restrictions, including but not limited to, the cost of taxes, insurance, maintenance of roadways, rights-of-way, easements, median strips, sidewalks, paths and trails, the cost of maintaining, operating, lighting, watering, landscaping, providing underground utilities, and repairing all Common Area, and any Improvements thereon, the cost of enforcing this Declaration, the cost of management of the Subdivision and any contractual obligations related to such management, the cost of providing a fund for contingencies and appropriate replacement reserves, less any expected income and any surplus from the prior years' fund. Assessments sufficient to pay such estimated net expenses shall then be levied as herein provided, and the level of the Assessment set by the Board or, initially, Declarant, shall be final and binding, so long as it is made in good faith. If the sums collected pursuant to such levy prove inadequate for any reason, including non-payment of any individual Assessments, the Association may, at any time and from time to time, levy further Assessments in the same manner as aforesaid. All such regular Assessments shall be due and payable to the Association at the beginning of the fiscal year or during the fiscal year in equal monthly installments, or in such other manner as the Board may designate in its sole and absolute discretion. Notwithstanding the foregoing, each Owner, excluding Declarant, shall pay an Assessment to the Association at the rate of Forty-nine Dollars (\$49.00) per calendar month per Lot, prorated, beginning on the first day following such Owner's acquisition of title to his Lot or Lots, which rate shall continue until changed by the Association as herein provided. At the closing of the acquisition of any Lot from the Declarant, any other developer thereof, or any Builder, the party acquiring such Lot shall pay a one-time processing fee of One Hundred Fifty Dollars (\$150.00). In no event shall the regular annual Assessment per Lot for year 2000 exceed the sum of Five Hundred Eighty-eight Dollars (\$588.00). Thereafter, the regular annual Assessment hereunder shall not be increased by more than ten percent (10%) above the maximum annual Assessment for the preceding calendar year without an affirmative vote of two-thirds (2/3's) of the Owners of the Association who are voting in person or by proxy, at a meeting duly called for such purposes.

7.4 **Builders Assessment.** Whenever any Lot is initially conveyed by Declarant to a Builder for the purpose of constructing a spec home, the Builder shall pay the Association a Builders Assessment of Five Hundred Dollars (\$500.00)/Lot. Such Builders Assessment shall relieve the Builder from paying Regular Annual Assessments as described herein for a period of twelve (12) months from the date the Builder acquires the Lot. In the event the Builder continues to own such Lot after said twelve (12) month period, then the Builder shall be responsible for paying Regular Annual Assessments as set forth above. Builders shall remain responsible for the Assessments set forth in Section 7.5 and 7.6, below.

7.5 **Assessment Benefiting Specific Areas.** The Association shall also have authority to levy Assessments against Lots located in specific local areas (e.g. Equestrian Lots) and Improvements to be expanded for the benefit of such Lots so assessed. The Assessments levied under this Section shall be levied

in proportion to the benefits conferred or to be conferred, as determined by the Board, and therefore the amount levied against each parcel of land or improvement need not be equal.

7.6 Special Assessments. In addition to the Regular Annual Assessments provided for above, the Declarant or the Board, as the case may be, may levy Special Assessments whenever in the Declarant's/Board's opinion such Special Assessments are necessary to enable the Declarant/Board to carry out the functions of the Association under the La Ventana Restrictions. The amount of any Special Assessments shall be at the reasonable discretion of the Declarant/Board. Notwithstanding the foregoing, any Special Assessment in excess of One Thousand Dollars (\$1,000.00) per calendar year per Lot shall be approved by the affirmative vote of two-third's (2/3's) of Owners who are voting at a meeting duly called for such purpose, who are entitled to vote in accordance with the Bylaws.

7.7 Owner's Personal Obligation for Payment of Assessments. All Assessments provided for herein shall be the personal and individual debt owing to the Association by the Owner of the Lot covered by such Assessment(s). In the event of joint ownership or ownership as tenants-in-common by more than one (1) Person of any Lot covered by such Assessments, such personal obligations shall be joint and several for each of said Owners. No Owner, except Declarant, may exempt himself/herself from liability for such Assessments, and in the event of default in the payment of any such Assessment, the Owner of the Lot shall be obligated to pay interest at a rate per annum equal to the highest rate allowed by applicable usury laws then in effect on the amount of the Assessment from the due date thereof (or if there is no such highest lawful rate, at the rate per annum of eighteen percent (18%)), together with all costs and expenses of collection, including reasonable attorney's fees and court costs.

7.8 Assessment Lien and Foreclosure.

(a) To the extent permitted by applicable Governmental Requirements, the payment of the Assessments levied in accordance with this Declaration against each Lot, together with interest thereon as provided in Section 7.7 above and the costs and expenses of collection, including reasonable attorneys' fees, as provided below, is secured by, and there is hereby reserved, created and granted, a continuing lien and charge on and against each Lot to secure payment of the Assessments levied against the subject Lot in accordance with this Declaration, and any interest thereon as provided in Section 7.7 above and the costs and expenses of collections, including reasonable attorneys' fees as provided below. Such lien or payment of Assessments shall attach with the priority above set forth from the date that the Lot is purchased by Owner, which lien shall be further evidenced by a Vendor's Lien reserved by the Declarant in the Deed from Declarant to each Owner and such lien shall run with the land. The lien reserved, granted and created by this Declaration against a Lot for payment of Assessments shall bind and attach to the Lot and shall be valid and subsisting against the Lot, the Owner of such Lot and such Owner's heirs, devisees, personal representatives, successors or assigns, and shall be superior to all other liens and charges against such Lot, except only for (i) tax liens, and (ii) all sums unpaid on any obligations evidencing sums owing or borrowed for the purchase of such Lot and secured by a valid and enforceable first Mortgage lien or first deed of trust lien of record covering the subject Lot, provided that the lien of any such Mortgage shall be superior to the lien created above only with respect to Assessments becoming due after the date the subject Mortgage was recorded in the Official Public Records of Hays County, Texas. The Association shall have the power, in the Board's sole and absolute discretion, to subordinate the lien created by this Section 7.8 against any Lot to any other lien. Any such subordination shall be signed by an officer of the Association and recorded in the Official Records of Hays County, Texas. Upon the written request of any Beneficiary holding a lien on any Lot that is superior to the lien for payment of Assessments as provided herein, the Association shall report to said Beneficiary the amount of any Assessments levied against such Lot remaining unpaid for a period of more than thirty (30) days after the same are due.

(b) To evidence the aforesaid lien for payment of Assessments, the Association may prepare a written notice of Assessment lien setting forth the amount of the unpaid indebtedness, a description of the Lot encumbered by the lien and the name of the Owner of such Lot. Such notice shall be signed by one of the officers of the Association and shall be recorded in the Official Public Records of Hays County, Texas. The aforesaid lien for payment of Assessments shall attach with the priority set forth above from the date the payment of such Assessments becomes due. The Association may enforce such lien by the foreclosure sale of the defaulting Owner's Lot in like manner as a foreclosure of a mortgage or contractual lien on real property as provided in Section 51.002 of the Texas Property Code, as the same may be amended or modified, or the Association may institute suit against the Owner personally obligated to pay the Assessment for monetary damages and/or for the judicial foreclosure of the aforesaid lien. The Owner of the affected Lot shall be required to pay all costs and expenses, including without limitation reasonable attorneys' fees, incurred by the Association in connection with any foreclosure proceeding, whether judicial or non-judicial, and in connection with any collection proceeding the Association or Declarant shall have the power to bid on any Lot at any foreclosure or other legal sale and to acquire, hold, lease, mortgage, convey or otherwise deal with the same.

(c) The liens for payment of Assessments provided for herein shall not be affected or extinguished by the sale or transfer of any Lot, whether by judicial or non-judicial foreclosure sale or otherwise; provided, however, that in the event of foreclosure of lien of any Mortgage superior to the lien for the delinquent Assessment, the lien for the delinquent Assessment will be extinguished, and the delinquent Assessment shall be paid out of the proceeds of such foreclosure sale only to the extent that funds are available after the satisfaction of the first lien Mortgage. The extinguishing of any lien for payment of Assessments as herein provided will not relieve any Owner from the obligation to pay Assessments subsequently becoming due and payable or affect or impair the lien created and reserved under this Declaration to secure payment of any such Assessments.

ARTICLE VIII
COMMON AREAS AND EASEMENTS

8.1 Common Areas. No land within any Common Area shall be improved, used or occupied, except in such manner as shall have been approved by Declarant, or the Association, as applicable. The use of Common Areas is restricted to Owners, Owners' guests and prospective owners. Further, Declarant has certain agriculture lease rights for the Common Area. Any Owner may reserve, for a fee, the Common Area and Improvements thereon for their private use with the permission of the Association and in accordance with La Ventana Rules.

Declarant and any water utility company owned or controlled by Declarant, shall have the exclusive right to drill a water well or wells on any Common Area or sanitary easement of record within the Subdivision to any depth and capture any quantity of water it deems necessary for the operation of its business (including the placement of surplus equipment). This right is assignable by the foregoing entities and the Association shall acknowledge any such assignment when presented.

8.2 Recreational Improvements. Any proposed construction of recreational Improvements within a Common Area shall be subject to approval by the Architectural Committee.

8.3 Privacy Gate. The Association shall pay for all costs and expenses necessary to operate and maintain the private gated entrance located on La Ventana Parkway. Such gated entrance shall not be relied on by the Owners and others for the security of property and person. Notwithstanding anything to the contrary contained herein, the Association retains the right to charge Owners a fee or deposit for the issuance of or replacement of privacy gate remote access cards and/or units. Each Main House shall be wired to access and operate the remote functions of such privacy gate.

8.4 Utility Easements in Common Areas. Declarant reserves the right to locate, construct, own and operate, erect and maintain or cause to be located, constructed, owned and operated, erected and maintained in and on any areas conveyed to the Association or reserved as Common Areas water, sewer and other pipelines, water wells, surface equipment, water tanks, conduits, wires and any public utility function beneath or above the surface of the ground, and with the right of access to the same at any time for the purpose of construction, drilling, operation, repair and maintenance. In connection herewith the rights granted herein are in addition to those rights granted in Section 8.1, herein. Such rights are transferable by Declarant.

8.5 Reserved Easements. All dedications, limitations, restrictions and reservations shown on the Plat and all grants and dedications of easements, rights-of-way, restrictions and related rights made by Declarant for all purposes as if fully set forth herein, and shall be constructed as being adopted in each and every contract, deed or conveyance executed or to be executed by or on behalf of Declarant conveying any part of the Property. Declarant reserves the right to make changes in and additions to the said easements and rights-of-way for the purpose of most efficiently and economically developing the property. Further, Declarant reserves the right, without the necessity of the joinder of any Owner or other person or entity, to grant, dedicate, reserve or otherwise create, at any time or from time to time, rights-of-way and easements for public utility purposes (including, without limitation, gas, water, cable television, electricity, telephone, sewer and drainage), in favor of any person or entity, along and on either or both sides of any Lot line, which said easement shall have a maximum width of seven and one-half (7.5) feet on each side of such Lot line. See Plat for easements particular to any Lot.

8.6 Installation and Maintenance of Public Utilities. Declarant reserves, creates, grants and dedicates (without warranty) for Declarant and any and all public utility companies providing any public utilities to all or any portion of the Subdivision a perpetual, non-exclusive easement upon, across, over and under all portions of the Property designated on the Plat as public utility easements (the "PUE Tracts") for ingress and egress and for constructing, installing, replacing, repairing, operating, and maintaining all utility and service lines and service systems, public and private which are necessary as to provide public utilities to the Subdivision, including, but not limited to, telephone, cable television, gas, electric power, water distribution and wastewater collection, together with all lines, pipes, cables, conduits and other equipment, facilities, improvements and appurtenances installed in, under, along and across the PUE Tracts. By virtue of this easement, it shall be expressly permissible for Declarant and the public utility providers and companies supplying or providing public utility services to the Subdivision to install and maintain pipes, wires, conduits, service lines or other utility equipment, facilities, improvements or appurtenances thereto, on, above, across and under the PUE Tracts. Notwithstanding any provision contained in this section, no electrical lines, water lines or other utilities or appurtenances thereto may be relocated on the Property until approved by Declarant or the Architectural Committee. Subject to compliance with applicable Governmental Requirements, the public utility providers and companies furnishing public utility services to the Subdivision shall have the right to remove all trees and fences situated within the PUE Tracts, and to trim overhanging trees and shrubs located on portions of the Property abutting the PUE Tracts. The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers. Neither the Declarant nor any supplier of any utility service using any easement area, however, shall be liable to any Owner or to the Association for any damage done by them or either of them, or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area. Declarant reserves the right to make changes in and additions to said easements and rights-of-way for the purpose of most efficiently and economically developing the Property.

8.7 Title to Easement and Appurtenances Not Conveyed. Title to any Lot conveyed by Declarant by contract, deed or other conveyance shall not be held or construed in any event to include the title to any roadways or Common Area or any drainage, water, gas, sewer, storm sewer, electrical light, electrical power, telegraph or telephone way, or any pipes, lines, poles or conduits on or in any utility facility or appurtenances thereto, constructed by or under Declarant or its agents through, along or upon any Lot or any part thereof to serve said Lot or any other portion of the Property, and the right to maintain, repair, sell, convey or lease such appurtenances to any municipality or other governmental agency or to any public service corporation or to any other party is hereby expressly reserved in Declarant. All Common Area shall be owned by the Association, unless further conveyed in accordance with this Declaration.

8.8 Drainage Easements and Patterns. Except for (i) alterations, changes, and/or interference in connection with or resulting from Development by Declarant and (ii) alterations, changes and/or interference by an Owner on the Owner's Lot which do not affect drainage patterns on, or the flow of surface water over, any other Lot or any other portion of the Property, there shall be no alteration of, change in, or interference with the established drainage patterns over any Lot or other portion of the Property unless adequate provision is made for proper drainage in a manner approved by the Owner of each Lot affected by the subject alteration, change or interference and by the Association. Each Owner further covenants not to disturb or displace any trees or other vegetation within the drainage easements as defined in this Declaration and/or shown on the Plat without the prior written approval of the Association. There shall be no construction of Improvements, temporary or permanent, in any drainage easement except as may be approved in writing by the Association. Easements for installation and maintenance of utilities and/or drainage easements are reserved and dedicated as are shown on the Plat. Within these easement areas, no Improvements, Landscaping, or other materials shall be placed or permitted to remain which may damage or interfere with the installation, maintenance and/or operation of these utilities and/or drainage easements and/or which may

hinder or change the direction or flow of surface water within the Property and/or along the existing drainage patterns, channels or slopes within the Property.

8.9 Entry Easement. Declarant reserves, creates, grants and dedicates (without warranty) for the Association and Declarant a non-exclusive easement upon, over and across each Lot for ingress and egress for any and all of the purposes stated in this Declaration and to exercise, enjoy and carry out any and all of the rights and powers granted herein, on and subject to the terms and conditions of this Declaration. Entry upon any Lot as provided in this Section 8.9 shall not be deemed to trespass, and the Association and Declarant shall not be liable for any damage so created unless damage is caused by the willful misconduct or gross negligence of the party against whom damages are sought to be collected.

8.10 Maintenance of Surface Area of Easements. Each Owner shall maintain the surface area of all easements located within his or her Lot and all Improvements located therein except for (a) such Improvements for which a public authority or utility company is responsible and (b) all detention ponds and water quality easement areas (with the Association being responsible for maintenance of all detention pond facilities and water quality easement areas). The surface of easement areas for underground utility services may be used for planting of shrubbery, trees, lawns or flowers, or any other Improvement authorized by the Committee. Trees with extremely large root systems shall not be planted directly over utility lines. However, neither Declarant nor any supplier of any utility or service using any easement area shall be liable to any Owner or to the Association for any damage done by them or either of them or their respective agents, employees, servants or assigns, to any of the aforesaid vegetation as a result of any activity relating to the construction, maintenance, operation or repair of any facility in any such easement area.

8.11 Temporary Completion Easement. Declarant reserves, creates, grants and dedicates (without warranty) for the benefit of Declarant and any Person building or constructing any Improvements on any Lot, and their respective employees, subcontractors, successors and assigns, a non-exclusive easement of ingress and egress over, along, within and upon the front side and rear yards of each Lot, any and all Common Area and any and all easements located within the Subdivision as may be expediently necessary for the construction, servicing, and completion of Improvements and Landscaping upon any Lot, any and all Common Area and any and all easements located within the Subdivision.

8.12 Owners' Easements of Enjoyment. Each and every Owner shall have a non-exclusive right and easement in and to the Common Area and a non-exclusive right and easement of ingress and egress to, from and through the Common Areas, which non-exclusive rights and easements shall be appurtenant to and shall pass with title to each and every Lot, subject to the following provisions:

(a) the right of the Association to establish and publish rules and regulations governing the use of the Common Area affecting the health, safety and welfare of Owners and authorized guests, as well as good stewardship of the Common Area and its Improvements;

(b) the right of the Association to suspend the right of use of the Common Area and the voting rights of any Owner for any period during which any Assessment against the subject Owner's Lot remains unpaid beyond the period in which such Assessment is due and for any period during which the Owner is in violation of this Declaration and/or any La Ventana Rules;

(c) the right of the Association, subject to the provisions of this Declaration or any of the Restrictions, to dedicate or transfer all or any part of the Common Area, if any, to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by a majority of the votes of the Owners as any vote of the Owners has been recorded according to such dedication or transfer;

(d) the right of the Association to borrow money from any Person for the purpose of improving the Common Area and, in furtherance thereof, mortgage the Common Area, and in accordance with the Articles and Bylaws;

(e) the right of the Association to contract for services or use of Common Area with Declarant or third parties, directly or indirectly, on such terms as the Association may determine; and

(f) all of the rights of the easements granted and provided under this Section 8.12 are easements appurtenant to and running with each Lot; and any such easement shall at all times inure to the benefit of and be binding upon Declarant, each Owner and all their respective grantees, heirs, successors, personal representatives or assigns, perpetually and in full force.

8.13 Title to Common Area. All Common Area shall be dedicated and conveyed to the Association, which shall thereafter be responsible for its operation and maintenance. The Common Area shall be conveyed to and accepted by the Association on or before the completion of all construction with respect thereto or at such other times and from time to time as the Declarant may determine to be appropriate. Declarant reserves the right to amend the boundaries of all Common Area in accordance with Paragraph 10.1 herein. Further, in the event additional land is added to the Subdivision in accordance with Paragraph 2.2 herein, Declarant shall, in fact, amend the boundaries of the Common Areas in order to accommodate such addition.

8.14 Damages. Each Owner and each lessee of any Owner shall be liable to the Association for any damage to Association Property which may be sustained by reason of the negligent or intentional misconduct of such persons of his family, guests or invitees. If the property, the ownership or leasing of which entitles the member or lessee thereof to use Association property, is owned or leased jointly or in common, all of such joint or common owners or lessees shall be jointly and severally liable hereunder. The amount of such damage may be assessed against such person's or entity's real and personal property on or within the Property, including the leasehold property on or within the Property, including the leasehold estate of any lessee or the lessor of such lessee, and may be collected as provided herein for the collection of Assessments.

8.15 Damage and Destruction. In case of destruction of or damage to Association Property by fire or casualty, the available insurance proceeds, if any, shall be paid to the Association, which shall contract to repair or rebuild the Association Property so damaged. Should insurance proceeds be insufficient to pay all of the costs of repairing or rebuilding the damaged property, the Association may levy a special assessment to recover any deficiency. If the Board determines not to rebuild any property so destroyed or damaged, or to build facilities substantially different from those which were destroyed or damaged, it shall call a special meeting of the Members to consider such decision. If the Members of the Association, by seventy-five percent (75%) of the votes cast at such meeting, elect to ratify such decision, the Board shall act accordingly, but if the Members do not by such percentage elect to ratify such decision, the Board shall proceed to repair or rebuild the damaged facility with payment therefor to be made as set forth in this Section. Owners should be aware of the risk that flood insurance for certain Improvements in the Common Area may not be obtainable and the costs associated with such possible loss.

8.16 The Private Roads. Declarant reserves for itself, the Association, each Owner, and the respective employees, agents, representatives, guests, contractors, and other invitees of the Association and the Owners (hereinafter collectively called the "Private Roads Users" and individually called a "Private Roads User") the right of access to the Private Roads, and a nonexclusive easement on, over, across and with respect to the Private Roads for the use and enjoyment of the Private roads for vehicular and pedestrian access to the Lots, the other Common Areas, and the remainder of the Property. Notwithstanding anything in this Declaration to the contrary, in no event shall any Private Roads User be permitted to use or enjoy the Private

Roads in any manner which is prohibited by or which would violate a Governmental Requirement or any Rules. Additionally, no Private Roads User may in any way or manner remove, alter, damage or destroy any portion of the Private Roads. The Association shall have the power and authority to promulgate rules regarding the use and enjoyment of the Private Roads by the Private Roads Users and shall have the power and authority to enforce such rules regarding the use and enjoyment of the Private Roads. Subject to the terms and provisions of this Declaration and to the Rules promulgated by the Association with respect to the use and enjoyment of the Private Roads, all Private Road Users shall have access to the Private Roads and shall have ingress and egress to the Private Roads for the purposes provided above. Declarant reserves for itself and the Association (and the respective employees, agents, contractors, and representatives of Declarant and the Association) an easement on, over, across and under the Private Roads for the purpose of constructing, installing, maintaining, repairing, and replacing any Private roads and maintaining, policing and protecting the Private Roads. No Owner or other Private Roads User shall be permitted to place any Improvements on any portion of the Private Roads. Neither Declarant nor the Association shall be liable for any damage done by either them or their assigns, agents, employees, contractors or servants to any landscaping, Improvements or other property of any Owner or Person in connection with the construction, installation, repair, maintenance, replacement, policing and protecting of the Private Roads. Declarant will convey the Private Roads to the Association as part of the Common Areas, subject to the conditions, covenants, restrictions, easements, terms and conditions of this Declaration and to any and all easements, restrictions, and other encumbrances of record in the Official Public Records of Hays County, Texas, to the extent in force and effect and binding on the Private Roads.

8.17 Maintenance, Operation and Repairs of Private Roads. Following substantial completion and conveyance to the Association by Declarant of the Private Roads, the utilities and improvements required to be constructed in connection with the approval of the Plat by Governmental Authority, and the other Common Area and Facilities, the Association (a) shall be solely and exclusively responsible for the maintenance, repair, replacement management, operation and condition of the Private Roads, (b) shall at all times maintain, repair and replace the Private Roads in good repair and order, (c) shall manage, operate and oversee the Private Roads in a manner complying with the provisions of this Declaration, all applicable Rules, and Governmental Requirements which may be imposed at any time, from time to time, by any Governmental Authority, and (d) is and shall be authorized to promulgate and adopt Rules concerning the use, enjoyment, operation, management, maintenance, repair, replacement and improvement of the Private Roads, subject to the terms and conditions of this Declaration. The Association may establish a Private Roads maintenance reserve fund as deemed necessary by the Board.

ARTICLE IX CENTRAL PROPANE GAS SYSTEM

9.1 Gas System. The Southern Union Gas Company ("SUG") and Declarant have entered into that certain Propane System Installation Agreement ("Propane Agreement") dated July 2, 1999 (including any amendments thereto) to provide propane gas from a centrally installed propane gas system (the "Gas System") to at least the Lots initially developed by Declarant. Declarant believes that as a whole, it is economic and convenient to use gas and that the economic feasibility of the construction and operation of the Gas System requires that all dwellings constructed within the Property use propane gas for space heating, water heating, and cooking. The Declarant may participate in profits, if any, with SUG.

9.2 Propane Use Requirement. All Main Houses must install or use only gas-fired water heaters and furnaces ("Propane Appliances"). Additionally, all Builders and Owners shall install gas hook-ups for ranges that are installed in all Main Houses. Such gas plumbing shall meet the specifications required by applicable building codes and all other applicable governmental requirements for natural gas and propane at the time of installation. All Propane Appliances installed in new homes on the Property shall be installed in accordance with the requirements of the Gas Services Division of the Texas Railroad Commission and all

other applicable governmental requirements and regulations. Upon the purchase of each Lot, each Owner shall pay to SUG a fee in accordance with the Propane Agreement ("System Fee").

9.3 Waiver of Propane Use Requirement. Any Owner of any Lot located on the Property shall be released from the propane use requirements designated above upon payment to the in the amount as specified in the Propane Agreement (Propane Use Requirement Waiver Fee). Such Propane Use Requirement Waiver Fee is in addition to the System Fee described in Section 9.2.

9.4 Community Pool. Any heated pool constructed on the Property for community use must be constructed with and use Gas Appliances to heat the pool's water.

9.5 Gas Tanks. No above ground propane gas tank may be maintained on the Property except (i) the central propane storage tank to be maintained by SUG pursuant to the Propane Agreement and (ii) outdoor barbecue grill portable propane tanks.

ARTICLE X MISCELLANEOUS

10.1 Powers of Declarant. Notwithstanding anything in this Declaration to the contrary, so long as Declarant owns any Lot and/or Undeveloped Lot, each Owner, by acceptance of record title conveying a Lot to such Owner, does hereby irrevocably constitute and appoint Declarant, its true and lawful attorney-in-fact and agent to execute, acknowledge, verify, swear to, deliver, record and file in that Owner's name, Place and stead all instruments, documents and certificates which may from time to time be required in order to affect any amendment, correction, vacating, replatting or other modification of the Plat, provided that (i) the boundaries and contours of such Owner's Lot are not in any way changed, altered or modified; (ii) access to such Owner's Lot from a public street or from Private Roads is not changed or altered in any material respect; (iii) the public utility services to such Owner's Lot are not materially and adversely altered; and (iv) no costs or expenses are imposed on such Owner. In furtherance of this appointment, each Owner agrees to join in the execution, upon request of Declarant, of any instrument required to acknowledge such authorization and/or affect any such amendment, vacating, replatting or other modification of the Plat.

10.2 Term. This Declaration, including, all of the covenants, conditions, and restrictions hereof, shall continue in force and effect until December 31, 2025, unless amended as herein provided. After December 31, 2025, this Declaration, including all such covenants, conditions and restrictions, shall be automatically extended for successive periods of ten (10) years each, unless extinguished by a written instrument executed by Owners entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast pursuant to the Bylaws (Exhibit "C" attached hereto). Any and all rights granted to Declarant or any utility provider shall continue in effect after the extinguishment of this Declaration.

10.3 Amendment.

(a) By Declarant. This Declaration may be amended by Declarant acting alone until such time as Declarant has conveyed by deed four hundred (400) Lots; thereafter, Declarant shall be entitled to amend this Declaration only with the written approval of a majority of the Class A Votes, described in the Bylaws (Exhibit "C" attached hereto). No amendment by Declarant shall be effective until there has been recorded in the Real Property Records of Hays County, Texas, an instrument executed and acknowledged by Declarant and setting forth the Amendment. An amendment made by Declarant pursuant to this Section 10.3 shall not adversely affect the value of the Lots and shall maintain the quality of the Subdivision. No Amendment may place additional restrictions on a Lot already sold or remove variances previously granted without the express written consent of the Owner of the affected Lot.

(b) By Owners. After Declarant has conveyed by deed four hundred (400) Lots, this Declaration may be amended by recording in the Hays County, Texas Real Property Records an instrument executed and acknowledged by the President and Secretary of the Association, setting forth the Amendment and certifying that such Amendment has been approved by Owners entitled to cast at least eighty percent (80%) of the number of votes entitled to be cast pursuant to the Bylaws (Exhibit "C" hereto).

10.4 Notice. Any notice permitted or required to be given by this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered on the third (3rd) day (other than a Sunday or legal holiday) after a copy of the same has been deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to the person at the address given by such person to the Association for the purposes of service of notices, or to the residence of such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing given by such person to the Association.

10.5 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate the purposes of creating a uniform plan for the improvement and operation of the Subdivision and of promoting an effectuating the fundamental concepts of the Subdivision set forth in this Declaration. This Declaration shall be construed and governed under the laws of the State of Texas.

10.6 Exemption of Declarant. Notwithstanding any provision in this Declaration to the contrary, neither Declarant nor any of Declarant's activities shall in any way be subject to the control of or under the jurisdiction of the Architectural Committee. Without in any way limiting the generality of the preceding sentence, this Declaration shall not prevent or limit the right of Declarant to excavate and grade, to construct and alter drainage patterns and facilities, to construct any and all other types of Improvements, sales and leasing offices and similar facilities, and to post signs incidental to construction, sales and leasing anywhere within the Property; provided, however, the construction of sales and leasing offices and the posting of signs advertising the sale and leasing of Lots by Declarant shall be limited to Lots, other Property owned by Declarant and Common Area.

10.7 Assignment by Declarant. Notwithstanding any provision in this Declaration to the contrary, Declarant may assign, in whole or in part, any of its privileges, exemptions, rights and duties under this Declaration to any other person or entity and may permit the participation, in whole or in part, by any other person or entity in any of its privileges, exemptions, rights and duties hereunder.

10.8 Enforcement and Non-Waiver.

(a) Right of Enforcement. Except as otherwise provided herein, any Owner at his own expense, or the Committee, the Board, or Declarant, at the expense of the Association, shall have the right to enforce all of the provisions of this Declaration. Such right of enforcement shall include both damages for, and injunctive relief against, the breach or threatened breach of any such provision.

(b) Non-Waiver. The failure to enforce any provision of this Declaration at any time shall not constitute a waiver of the right hereafter to enforce any such provision or any other provision of said Declaration.

(c) Lien. The Association shall have the right, when appropriate in its judgement, to claim or impose a lien upon any Lot or Improvement constructed thereon in order to enforce any right or effect compliance in this Declaration.

10.9 Construction.

(a) Restrictions Severable. The provisions of this Declaration shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision or portion thereof.

(b) Singular Includes Plural. Unless the context requires contrary construction, the singular shall include the plural and the plural the singular, and the masculine, feminine or neuter shall each include the masculine, feminine and neuter.


(c) Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise effect that which is set forth in any of the paragraphs, sections or articles hereof.

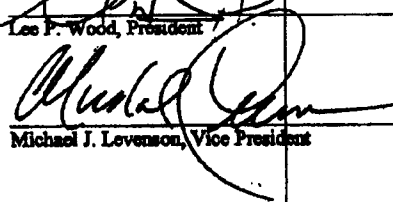
(d) No Oral Representations. This Declaration shall govern and supercede any and all oral/verbal representations made concerning the matters contained herein.

26 IN WITNESS WHEREOF, Declarant has executed this Declaration as of this
day of Sept., 2002.

DECLARANT:
LA VENTANA DRIFTWOOD, L.P.
A Texas Limited Partnership

By: FOURSTAR RESIDENTIAL RANCHES, L.L.C., its general partner



Lee P. Wood, President


Michael J. Levenson, Vice President

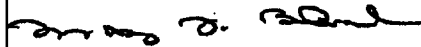
STATE OF TEXAS)

COUNTY OF HAYS)

This instrument was acknowledged before me this 26 day of
Sept., 2002, by Lee P. Wood and Michael J. Levenson, President and Vice
President of FourStar Residential Ranches, L.L.C., a Texas Limited Liability Corporation,
General Partner of La Ventana Driftwood, L.P., a Texas Limited Partnership, on behalf of said
partnership.



Notary's Printed Name, Seal and
Commission Expiration Date



Notary Public, in and for
The State of Texas

EXHIBIT

B



COURTESY NOTICE

June 20, 2024

Jakob Skelton & Stephanie Chang
914 Ranchers Club Ln
Driftwood TX 78619

Re: La Ventana Ranch Owners Association, Inc.
Property: 914 Ranchers Club Ln
Violation: Animals & Pets - Boarding or Breeding
Location: On Property

Dear Jakob Skelton & Stephanie Chang

As the managing agent for La Ventana Ranch Owners Association, Inc., Goodwin & Company is responsible for the administration of the Association's governing documents and rules and regulations. The Association is committed to maintaining your neighborhood in a manner that is both aesthetically pleasing and protective of property values.

The purpose of this letter is to bring to your attention that it has been observed or reported that a situation of non-compliance needs your attention:

Please discontinue breeding or boarding animals at your residence. You are only allowed up to six ducks.

Please note that continued non-compliance will result in the next fine being assessed at \$50.00.

We are sure that you would want to know about the above situation, and we request your assistance in correcting the above issue. To assist us in our efforts to preserve the overall appearance of the community, we respectfully ask your timely cooperation.

Thank you in advance for your help in preserving the integrity of La Ventana Ranch Owners Association, Inc.. If you have any questions concerning this notice please contact the inspector by email at Compliance@goodwintx.com or phone at (512) 502-2115.

Sincerely,
Goodwin & Company
Agent for La Ventana Ranch Owners Association, Inc.

Courtesy Notice

*If the violation described herein is deemed to be curable under Section 209.006 of the Texas Property Code and this is the first notice you have received for this type of violation in the past 6 months, **you must cure this violation in a reasonable amount of time which, for purposes of this notice, is deemed to be 12 days from the date of this letter which is 7/2/2024, in order to avoid any fines.** If the violation described herein is deemed to be curable under Section 209.006 of the Texas Property Code and this is a subsequent notice you have received for this type of violation in the past 6 months, you may be liable for fines. If the violation described herein is deemed to be uncurable under Section 209.006 of the Texas Property Code, regardless of whether the violation is the first or a subsequent violation in the past 6 months, you may be liable for fines.*

If a fine has been assessed, it is noted in this letter. You may request a hearing before the Board to discuss and verify facts and resolve the matter in issue. Your written request for a hearing must be submitted on or before the 30th day after the date the notice was mailed to the homeowner. Any such hearing will take place within 30 days following the date your request is received by the Board. In the event an attorney is retained to enforce compliance or the collection of any money due to the association, you will be responsible for the payment of attorney's fees and/or costs of collection after the expiration of 30 days of the date you receive this letter if no hearing has been requested, or immediately after any such hearing provided the Board does not waive the fine(s). Owners may have special rights or relief related to the violation under federal law, including the Service Members Civil Relief Act (50 USC app. Section 501 et seq) if a homeowner is on active military duty. Please notify us immediately if you are a Service Member.

EXHIBIT
C



Adam Pugh
e-mail: adam.pugh@caglepugh.com

www.caglepugh.com

July 1, 2024

Jakob Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:
9314 8699 0430 0123 0404 13
Via Email: skeltonjakob@gmail.com

Stephanie Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:
9314 8699 0430 0123 040 37

RE: La Ventana Ranch Owners Association, Inc. (the “**Association**”)
914 Ranchers Club Lane, Driftwood, Texas 78640 (the “**Property**”)

Dear Mr. And Ms. Skelton:

Our firm represents the Association. We are in receipt of your June 24, 2024 e-mail regarding your request for a reasonable accommodation. After receiving proof of approximately twenty ducks on the Property, the Association informed you that this number of ducks was above the number of animals allowed on the Property, and that fowl are not permitted within the Association. You have requested that you be allowed an exception or change to the prohibition against the animals on the Property, as indicated in Section 3.28 of the Declaration, because you believe the ducks are necessary emotional support animals. Furthermore, Section 3.28 of the Declaration prohibits poultry and fowl. As indicated therein, one of the primary purposes of this restriction is to minimize noise and protect the health and safety of the La Ventana Ranch Community.

The Association will need additional information regarding your non-observable disability and whether the ducks provide therapeutic emotional support with respect to your specific disability. We would encourage you to review the “Guidance on Documenting an Individual’s Need for Assistance Animals in Housing” available from the Department of Housing and Urban Development as to what should be provided. The Association does not have sufficient information to show you have a disability, or that ducks are an appropriate treatment for the same, at this time.

Additionally, the Association is requesting that you provide information showing a relationship or connection between the disability and the need for the ducks. Specifically, since ducks are not commonly kept in households, you have the substantial burden of demonstrating a disability-related therapeutic need for the specific type of animal requested. In this instance, the

Association is requesting that you provide documentation showing why twenty ducks, instead of another type of animal that is allowed in the Association, are required for your specific disability. Additionally, it is important that you provide information showing why your specific disability requires such a large amount of ducks.

At this time, the Association cannot grant you the exception and accommodation that you are seeking. As soon as you provide the requested information, the review will proceed, and the Association will endeavor to provide you with a response within ten (10) days of you providing all of the information requested.

Additionally, we are in receipt of your request regarding the vehicle violation but are unsure whether you are requesting an accommodation. If you could please clarify what you are requesting in regard to the vehicle violation, we would appreciate it so that we can prepare an appropriate response.

Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact our office at (737) 261-0600.

Sincerely,

CAGLE PUGH

A handwritten signature in blue ink, appearing to read 'Adam Pugh', with a stylized, cursive script.

Adam Pugh

EXHIBIT
D

June 25, 2024

To Whom It May Concern:

Re: Emotional Support Animal Accommodations

Stephanie Skelton is currently my client and being treated for Post Traumatic Stress Disorder (ICD 10: F43.1) and other reactions to severe stress (ICD 10: F43.8). I am intimately familiar with her history and with the functional limitations imposed on her by this disability. She meets the definition of disability under the Americans with Disabilities Act, The Fair Housing Act and the Rehabilitation Act of 1973.

Due to her diagnosis, Stephanie has certain limitations regarding coping with stress and anxiety. In order to help alleviate these difficulties I am stating that her emotional support animals assist Stephanie in coping successfully with daily life activities. Stephanie, and her family, have developed a strong bond with her ducks for the past fifteen months.

I am familiar with the voluminous professional literature concerning the therapeutic benefits of assistance animals for people with disabilities such as that experienced by Stephanie. Upon request, I will share citations to relevant studies, and would be happy to answer other questions you may have concerning my recommendation that Stephanie be able to keep her support animals. Should you have additional questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Cherissa R. McConnell". The signature is fluid and cursive, with the first name "Cherissa" being more prominent than the last name "McConnell".

Cherissa R. McConnell, MSW, LCSW

License #59413

AssuraSource Behavioral Management

940-255-3044

EXHIBIT 4

CAUSE NO. 24-0753-C

LA VENTANA RANCH OWNERS	§	IN THE COUNTY COURT
ASSOCIATION, INC.,	§	
<i>Plaintiff,</i>	§	
	§	
v.	§	AT LAW NO. 1
	§	
JAKOB SKELTON AND STEPHANIE	§	
CHANG A/K/A STEPHANIE	§	
SKELTON,	§	
<i>Defendants.</i>	§	HAYS COUNTY, TEXAS

AFFIDAVIT OF JAKOB SKELTON

BEFORE ME, the undersigned authority, on this day personally appeared Jakob Skelton, known to me to be the person whose name is subscribed to this Affidavit, and having been by me duly sworn upon his oath, deposed and stated as follows:

1. “My name is Jakob Skelton. I am over 18 years of age, of sound mind, and capable of making this Affidavit. The facts stated in this Affidavit are within my personal knowledge and are true and correct.
2. I am a Defendant in the above referenced suit and am a resident and Owner of a home in the La Ventana neighborhood. My wife, Stephanie Skelton (incorrectly sued as Stephanie Chang), is also a Defendant and resident and Owner of our home. We moved to our current home in the Texas Hill County and became Owners in October 2022.
3. My wife, Stephanie Skelton, and I have two small boys (ages 2 and 3) and are both Army veterans. We have both completed tours abroad and have both received 100% disability ratings from the Department of Veterans Affairs (VA). We are both considered disabled by the VA. (**Exhibits 4.12-4.18**).
4. In early 2023, Stephanie’s therapist suggested we should get ducks as a tool and aid to help manage her medical conditions as a disabled veteran.
5. In the spring of 2023, I had a verbal conversation with Michael C. Evans, La Ventana Ranch Owners Association, Inc.’s (“***La Ventana***” or the “***ROA***”) Board President, to inquire about whether our family could acquire ducks. Mr. Evans and I discussed the fact that another Owner family in La Ventana, Joel and Tayler Martin, maintained ducks on their property. The Martins had at least seven (7) ducks at the time I had this conversation with Mr. Evans. Mr. Evans told me that the Martins needed the ducks for their son’s behavioral issues and were allowed by La Ventana’s board (the “***Board***”) to keep their

ducks. Mr. Evans said it was okay for our family to get ducks and suggested that we get a letter from Stephanie's therapist just in case a neighbor were ever to complain.

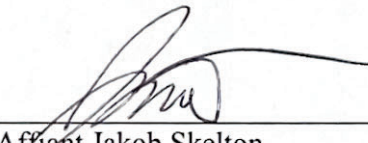
6. Shortly after my conversation with Mr. Evans, in the spring of 2023, our family acquired ducks. For over a year, we enjoyed our ducks with no complaints or any issues. We even participated in the La Ventana farmer's market to sell eggs from our ducks, and several of the ROA's board and cattle committee members regularly enjoyed and even requested duck eggs from us. (**Exhibit 4.11**). Our ducks not only brought us joy but contributed to the community and were well loved and accepted.
7. In June 2024, I received a "courtesy notice" dated June 20, 2024 from Goodwin & Company via regular mail (not certified mail) claiming that due to a complaint from one of our neighbors that we could only have six (6) ducks (**Exhibit 3** at attached Exhibit B). I then had an email exchange with the Board through its property manager, Joe Gaines, in which Joe Gaines again stated that "Six [ducks] is the HOA limit" and that "we cannot cite ducks that we do not see outside" and suggested that the we keep our ducks indoors "where they are not visible." (**Exhibit 4.1**). We then requested an accommodation due to Stephanie's condition on June 24, 2024. Shortly thereafter we received a letter from La Ventana's attorney dated July 1, 2024 asking for more information about the accommodation request. (**Exhibit 4.4**). It also stated we had twenty ducks, which was not accurate as we have never had that many ducks.
8. On July 5, 2024 we emailed La Ventana a copy of a letter from Stephanie's therapist's explaining the need for the ducks. (**Exhibit 4.2**). The email attachment reflected in Exhibit 4.2 is a copy of Exhibit 4.3, the letter from Stephanie's therapist dated June 25, 2024. (**Exhibit 4.3**). The next day, a meeting was held with the La Ventana board, at which board members accused us of using our veteran status as an "excuse" to have ducks. We received no further communications or notices of any meetings or intent to take legal action until August 2024 when La Ventana filed this lawsuit.
9. Since the filing of this lawsuit, La Ventana has ostracized, attacked, and attempted to publicly humiliate us for our disabilities and our ducks. For example, in October 2024, Stephanie decided to run for a position on the La Ventana board (**Exhibit 4.5**), La Ventana kicked me off the cattle committee (**Exhibit 4.6**) and sent two separate emails to the entire La Ventana community accusing us of "willfully violat[ing] our rules" and "refus[ing] to comply, [and] offer[ing] various legal excuses as to why they should be able to maintain fowl on their property" (**Exhibit 4.7 and 4.8**). Unsurprisingly, Stephanie was not elected to the board.
10. There are other lawsuits currently pending against Owners filed by the ROA. The lawsuit against us is the only lawsuit published on the PS Management portal for the entire neighborhood to see. It is clear by the ROA's actions that they are targeting our family in a discriminatory manner.
11. After it filed this lawsuit, the ROA's attorney sent us a letter purporting to offer a "reasonable" accommodation that we could keep two (not six) ducks but they had to be

“housed inside the main dwelling on the property” and could be outside the house only “up to two (2) times a day for a maximum amount of time not to exceed two (2) hours outside the main dwelling on the property.” (**Exhibit 4.9**). This would be cruel to the animals, which require a community and outdoor life. We received a similar letter on October 11, 2024. (**Exhibit 4.10**).

12. We once felt that this neighborhood was supportive, but because of this lawsuit and La Ventana’s actions we have lost friendships and face constant harassment. Neighbors have trespassed and photographed our property, and rumors have been spread about us. We have had to install security measures in our home, as we no longer feel safe, and have recently felt we had no option but to put our home up for sale, uproot our children, and move. We notified the ROA that we had placed our home for sale and again requested that the ROA accommodate our ducks until the sale of our home, but again the ROA refused. We have incurred attorney’s fees to defend this lawsuit which has added financial strain to our family.
13. This entire process has taken a toll on our whole family. We are stressed and financially strained by this lawsuit, and by the process of having to put our home up for sale. All of this has exacerbated both my own mental health struggles as well as Stephanie’s.
14. We are aware of and received no notice of any open meeting to consider or vote on the initiation of any enforcement action against us. We are aware of and received no notice by certified mail of any decision to file suit against us.
15. **Attestation and Certificate of Acknowledgement:** I am of sound mind and capable of making this affidavit, and am personally acquainted with the facts herein stated. I am the person in charge of records for my family’s business dealings with La Ventana and am familiar with the manner in which our records are created and maintained by virtue of my duties and responsibilities. Attached to this affidavit are Exhibits 4.1 through 4.18, which are the original records or exact duplicates of the original records, and are a part of this affidavit, and are true and accurate copies of the documents referenced. The records were made at or near the time of each act, event, condition, or opinion set forth, or it is my regular practice to make this type of record at or near the time of each act, event, condition or opinion set forth in the record. It is my regular practice for this type of record to be made by, or from information transmitted by, persons with knowledge of the matters set forth in them. The records were kept in the course of my family’s regularly conducted business activity with La Ventana. It is the regular practice of the business activity to make the records. Specifically, the exhibits to this affidavit include the following:
 - a. Exhibits 4.4, 4.9 and 4.10 are true and accurate copies of the originals of letters that Stephanie and I received via regular U.S. Mail and are kept in the regular course of our business dealings with La Ventana.
 - b. Exhibits 4.1, 4.2, 4.6, 4.7 and 4.8 are true and accurate copies of the originals of emails I received and/or exchanged with La Ventana and/or its property management company.

- c. Exhibit 4.3 is a true and accurate copy of the original of a letter from Stephanie's therapist and was produced by La Ventana with its initial disclosures.
- d. Exhibit 4.5 is a true and accurate copy of the original Facebook post made by Stephanie announcing her intent to run for the La Ventana board.
- e. Exhibit 4.11 is a true and accurate copy of the original series of texts I exchanged with Mike Evans via my cellphone.
- f. Exhibits 4.12 and 4.13 are true and accurate copies of the originals of U.S. Army Certificates of Release for Discharge from Active Duty for me and Stephanie;
- g. Exhibits 4.14 and 4.15 are true and accurate copies of the originals of letters Stephanie and I both received from the Department of Veterans Affairs regarding our benefits;
- h. Exhibit 4.16 is a true and accurate copy of the originals of a letter Stephanie and I received from the Department of Veterans Affairs psychiatrist regarding Stephanie's condition and as it relates to our ducks; and
- i. Exhibits 4.17 and 4.18 are true and accurate copies of the originals of my and Stephanie's disability ratings from the Department of Veterans Affairs outlining our individual ratings determinations.

Executed on the 14 day of April, 2025.

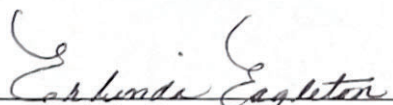


Affiant Jakob Skelton

SWORN TO AND SUBSCRIBED before me on the 14 day of April, 2025.

My commission expires:

July 26, 2028



Notary Public, State of Texas

Notary's printed name:

ERLINDA EAGLETON

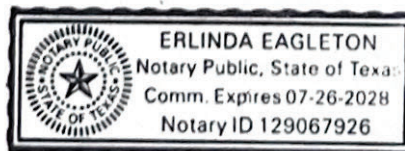
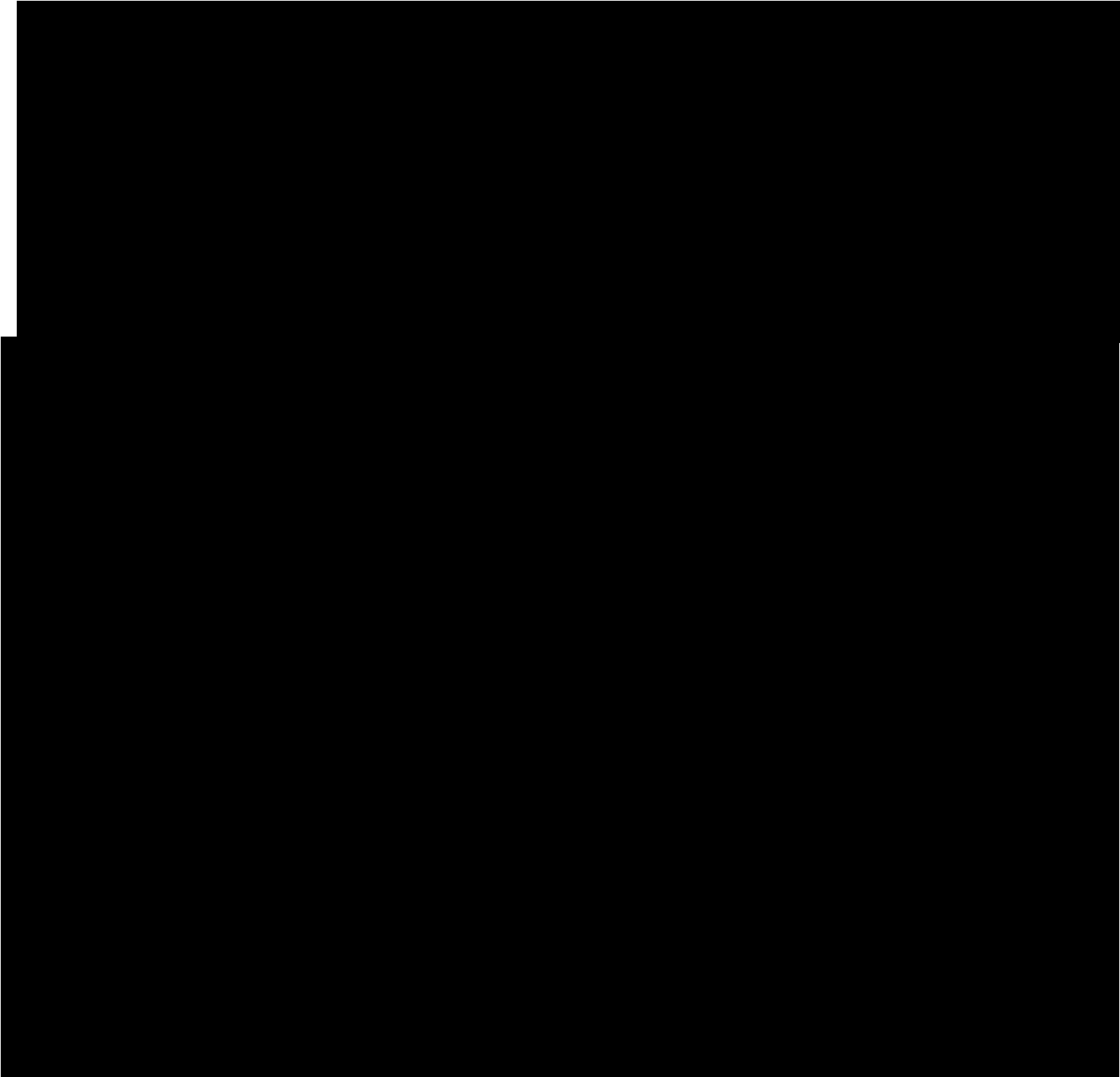


EXHIBIT 4.1



From: **Jakob Skelton** <skeltonjakob@gmail.com>
Date: Fri, Jun 21, 2024, 12:18 PM
Subject: Re: La Ventana Ranch OA - 914 Ranchers Club Ln -
Animals & Pets - Goodwin Global Stage 1 - Courtesy Notice - Fine
at Stage 2
To: Joe Gaines <Joe.Gaines@goodwintx.com>

Cool! No worries! Thank you for the quick response!

Can you attach the photo to the notice for my records?

Best,

SKELTON 000017

Jake

On Fri, Jun 21, 2024, 12:15 PM Joe Gaines
<Joe.Gaines@goodwintx.com> wrote:

Hi Jake,

The photo showed more than six ducks. Six is the HOA limit. As a reminder, we cannot cite ducks that we do not see outside. Maybe some of the ducks would be better inside where they are not visible. Thanks for keeping the Board happy.

Joe

From: Jakob Skelton <skeltonjakob@gmail.com>
Sent: Friday, June 21, 2024 6:42 AM
To: Joe Gaines <Joe.Gaines@goodwintx.com>
Subject: Re: La Ventana Ranch OA - 914 Ranchers Club Ln - Animals & Pets - Goodwin Global Stage 1 - Courtesy Notice - Fine at Stage 2

Hey Joe!

Hope all is well! The notice does not have photos attached, is there a way to see why/how I got this notice?

Best Regards,

Jake

On Thu, Jun 20, 2024, 7:17 PM La Ventana Ranch OA <no-reply@goodwintx.com> wrote:

SKELTON 000018

Dear Homeowner,

Please open and read the attached notice from your community management staff. *This is not spam.*

This email was auto-generated by Smartwebs on behalf of your community management staff. If you have any questions regarding this notice or if you do not wish to receive further email notifications, please contact your community management staff directly.

Please do not reply to this message, as we are unable to process any replies.

To ensure delivery of future messages, please add no-reply@smartwebs365.com to your 'Safe Senders' list.

Please open all links using Google Chrome. Internet Explorer is not supported.

Smartwebs, Inc. | 1015 S. Mays Street, Round Rock, TX 78664



COURTESY NOTICE

June 20, 2024

Jakob Skelton & Stephanie Chang
914 Ranchers Club Ln
Driftwood TX 78619

Re: La Ventana Ranch Owners Association, Inc.
Property: 914 Ranchers Club Ln
Violation: Animals & Pets - Boarding or Breeding
Location: On Property

Dear Jakob Skelton & Stephanie Chang

As the managing agent for La Ventana Ranch Owners Association, Inc., Goodwin & Company is responsible for the administration of the Association's governing documents and rules and regulations. The Association is committed to maintaining

SKELTON 000019

your neighborhood in a manner that is both aesthetically pleasing and protective of property values.

The purpose of this letter is to bring to your attention that it has been observed or reported that a situation of non-compliance needs your attention:

Please discontinue breeding or boarding animals at your residence. You are only allowed up to six ducks.

Please note that continued non-compliance will result in the next fine being assessed at \$50.00.

We are sure that you would want to know about the above situation, and we request your assistance in correcting the above issue. To assist us in our efforts to preserve the overall appearance of the community, we respectfully ask your timely cooperation.

Thank you in advance for your help in preserving the integrity of La Ventana Ranch Owners Association, Inc.. If you have any questions concerning this notice please contact the inspector by email at Compliance@goodwintx.com or phone at (512) 502-2115.

Sincerely,
Goodwin & Company
Agent for La Ventana Ranch Owners Association, Inc.

Courtesy Notice

If the violation described herein is deemed to be curable under Section 209.006 of the Texas Property Code and this is the first notice you have received for this type of violation in the past 6 months, you must cure this violation in a reasonable amount of time which, for purposes of this notice, is deemed to be 12 days from the date of this letter which is 7/2/2024, in order to avoid any fines. If the violation described herein is deemed to be curable under Section 209.006 of the Texas Property Code and this is a subsequent notice you have received for this type of violation in the past 6 months, you may be liable for fines. If the violation described herein is deemed to be incurable under Section 209.006 of the Texas Property Code, regardless of whether the violation is the first or a subsequent violation in the past 6 months, you may be liable for fines.

If a fine has been assessed, it is noted in this letter. You may request a hearing before the Board to discuss and verify facts and resolve the matter in issue. Your written request for a hearing must be submitted on or before the 30th day after the date the notice was mailed to the homeowner. Any such hearing will take place within 30 days following the date your request is received by the Board. In the event an attorney is retained to enforce compliance or the collection of any money due to the association, you will be responsible for the payment of attorney's fees and/or costs of collection after the expiration of 30 days of the date you receive this letter if no hearing has been requested, or immediately after any such hearing provided the Board does not waive the fine(s). Owners may have special rights or relief related to the violation under federal law, including the Service Members Civil Relief Act (50 USC app. Section 501 et seq) if a homeowner is on active military duty. Please notify us immediately if you are a Service Member.

EXHIBIT 4.2



LaVentana Board <lvroaboard@gmail.com>

Fri, Jul 5, 12:33 PM    

to me, Bob, Gary, James, Mike, Nicole, Stacy ▾

Hi Jake
We are following up on your request for 209 meeting. We are available tomorrow Saturday, July 6th at 9:00 am.

Please let us know if you would still like to meet and if you can make it.

Respectfully
Diana Perry



Jakob Skelton <skeltonjakob@gmail.com>

 Fri, Jul 5, 4:24 PM    

to lvroaboard, Bob, gwickert, james.painter, Mike, Nicole, stacy.bass ▾

Hey Diana and Board!

Thank you for your response. Please find attached the emotional support letter addressing your request for additional information.

Regarding the vehicles, we assure you they are well-maintained and not dilapidated. We understand the CC&Rs' concern regarding what constitutes an eyesore, and if there is a violation, we acknowledge its necessity. It is important to note that several individuals in our residence, including our childcare provider, work from home. Therefore, rotating each vehicle every 72 hours, as suggested, would be impractical and disruptive to our daily lives.

We regret the escalation of this matter, which we believe was exacerbated by the actions of Mrs. Judi Chun and certain members of the Architectural Committee's persistent scrutiny of the Association. Our actions were taken to safeguard our family, a responsibility we take seriously.

While we acknowledge that this situation may have impacted the Association's perception of us, we hold no ill will toward the Association or its members. Our primary concern remains addressing the actions of Mrs. Judi Chun and the involved committee members that led to this unfortunate sequence of events.

Furthermore, we accept the invitation for a meeting at 9 am on Saturday and look forward to discussing this matter further.

Thank you for your attention to this matter.

Best Regards,

Jake

One attachment • Scanned by Gmail 



EXHIBIT 4.3

June 25, 2024

To Whom It May Concern:

Re: Emotional Support Animal Accommodations

Stephanie Skelton is currently my client and being treated for Post Traumatic Stress Disorder (ICD 10: F43.1) and other reactions to severe stress (ICD 10: F43.8). I am intimately familiar with her history and with the functional limitations imposed on her by this disability. She meets the definition of disability under the Americans with Disabilities Act, The Fair Housing Act and the Rehabilitation Act of 1973.

Due to her diagnosis, Stephanie has certain limitations regarding coping with stress and anxiety. In order to help alleviate these difficulties I am stating that her emotional support animals assist Stephanie in coping successfully with daily life activities. Stephanie, and her family, have developed a strong bond with her ducks for the past fifteen months.

I am familiar with the voluminous professional literature concerning the therapeutic benefits of assistance animals for people with disabilities such as that experienced by Stephanie. Upon request, I will share citations to relevant studies, and would be happy to answer other questions you may have concerning my recommendation that Stephanie be able to keep her support animals. Should you have additional questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read "Cherissa R. McConnell". The signature is fluid and cursive, with the first name "Cherissa" being more prominent than the last name "McConnell".

Cherissa R. McConnell, MSW, LCSW

License #59413

AssuraSource Behavioral Management

940-255-3044

SKELTON 000244

EXHIBIT 4.4



Adam Pugh
e-mail: adam.pugh@caglepugh.com

www.caglepugh.com

July 1, 2024

Jakob Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:
9314 8699 0430 0123 0404 13
Via Email: skeltonjakob@gmail.com

Stephanie Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:
9314 8699 0430 0123 040 37

RE: La Ventana Ranch Owners Association, Inc. (the “**Association**”)
914 Ranchers Club Lane, Driftwood, Texas 78640 (the “**Property**”)

Dear Mr. And Ms. Skelton:

Our firm represents the Association. We are in receipt of your June 24, 2024 e-mail regarding your request for a reasonable accommodation. After receiving proof of approximately twenty ducks on the Property, the Association informed you that this number of ducks was above the number of animals allowed on the Property, and that fowl are not permitted within the Association. You have requested that you be allowed an exception or change to the prohibition against the animals on the Property, as indicated in Section 3.28 of the Declaration, because you believe the ducks are necessary emotional support animals. Furthermore, Section 3.28 of the Declaration prohibits poultry and fowl. As indicated therein, one of the primary purposes of this restriction is to minimize noise and protect the health and safety of the La Ventana Ranch Community.

The Association will need additional information regarding your non-observable disability and whether the ducks provide therapeutic emotional support with respect to your specific disability. We would encourage you to review the “Guidance on Documenting an Individual’s Need for Assistance Animals in Housing” available from the Department of Housing and Urban Development as to what should be provided. The Association does not have sufficient information to show you have a disability, or that ducks are an appropriate treatment for the same, at this time.

Additionally, the Association is requesting that you provide information showing a relationship or connection between the disability and the need for the ducks. Specifically, since ducks are not commonly kept in households, you have the substantial burden of demonstrating a disability-related therapeutic need for the specific type of animal requested. In this instance, the

Association is requesting that you provide documentation showing why twenty ducks, instead of another type of animal that is allowed in the Association, are required for your specific disability. Additionally, it is important that you provide information showing why your specific disability requires such a large amount of ducks.

At this time, the Association cannot grant you the exception and accommodation that you are seeking. As soon as you provide the requested information, the review will proceed, and the Association will endeavor to provide you with a response within ten (10) days of you providing all of the information requested.

Additionally, we are in receipt of your request regarding the vehicle violation but are unsure whether you are requesting an accommodation. If you could please clarify what you are requesting in regard to the vehicle violation, we would appreciate it so that we can prepare an appropriate response.

Thank you for your attention to this matter. Should you have any questions, please do not hesitate to contact our office at (737) 261-0600.

Sincerely,

CAGLE PUGH



Adam Pugh

EXHIBIT 4.5



Stephanie Skelton

Top contributor · October 1 at 3:29 PM · 🌐



Howdy, neighbors! I submitted my application to be an LV board member. Woo whoo! I look forward to meeting everyone tomorrow at the "meet the candidate" event. I would be greatly appreciative if you could make it and hear my reasons for wanting to be on the board (& hopefully earn your vote 😊).



👍❤️ You, Adelita Robles, Brian Gawlik and 21 others

2 comments



Like



Comment



Send



Trish Perez Top contributor

thank you for stepping up to serve the community!

1w Like Reply



Vincent Lecca Top contributor

Thank you for wanting to volunteer 🙌

1w Like Reply



SKELTON 000037

EXHIBIT 4.6



Amy Loughrey <amy@psprop.net>

to me ▾

Oct 9, 2024, 12:27 PM (5 days ago)



Dear Mr. Skelton,

We must inform you that The La Ventana Board of Directors has voted unanimously to remove you from the Longhorn Committee. You will also be removed from the list of authorized members maintained by the insurance company. The vote will be ratified and recorded at the next open meeting.

Thank you,



Amy Loughrey

Community Manager



(512) 251-6122



(512) 399-4616 (A.I. Texting Assistant)



www.psprop.net

Please send all vendor invoices to invoices@psprop.net.

SKELTON 000043

EXHIBIT 4.7

Community Wide Email from La Ventana Ranch Owners' Association, Inc. - 2024 La Ventana Board of Directors "Meet the Candidate" - [#XN4142456]



Inbox x

PS Property Management <info@psprop.net>
to me, stephaniechang1913 ▾

Wed, Oct 9, 1:24 PM (5 days ago)



This is a community wide email sent to all owners in La Ventana Ranch Owners' Association, Inc..

Jakob Skelton,

Meet the Candidates

Thursday, October 9th at 6:30PM in the LV Clubhouse.

We are pleased to present the following list of candidates for your review and consideration for the upcoming 2024 La Ventana Board of Directors election. Please see attached candidate application submissions. We have 3 (three) available positions and hope that you will review each candidates' applications thoughtfully. PS Property Management will be providing a link to vote electronically and will send out the voting link in a separate email.

In the interest of full disclosure, your current LVROA Board felt it important that all voters be aware of an ongoing dispute between the La Ventana Community and one of the candidates for office—Stephanie Skelton—and her husband, Jake. The Skeltons have been given notices, fined, and warned about their maintenance of a flock of ducks and a duck coop which were reported on the Skelton's property in violation of the neighborhood's CCR's. Their neighbors have complained, and the Architectural Committee and the Board became involved. The Skelton's have refused to comply, offering various legal excuses as to why they should be able to maintain fowl on their property. After attempts at a reasonable accommodation, it has unfortunately become necessary for the La Ventana neighborhood to incur legal fees and engage the services of our lawyers, Cagle Pugh, who have filed a lawsuit against Jakob Skelton and Stephanie Chang a/k/a Stephanie Skelton, Defendants in the County Court at Law of Hays County, Texas. The lawsuit alleges that the Skeltons have willfully violated our rules by maintaining fowl on their property at 914 Ranchers Club Lane and seeks a temporary and permanent injunction. This lawsuit is currently pending.

2024 Board of Directors Candidates:

Robert Asay

Tayler Martin

James H. Painter

Stephanie Skelton

Steven Ross Wehman

Sincerely,


SKELTON 000045

PS Property Management Company, Inc. on behalf of La Ventana Ranch Owners' Association, Inc.

EXHIBIT 4.8

Community Wide Email from La Ventana Ranch Owners' Association, Inc. - La Ventana Legal Records - [#XN4152298] Inbox x

 **PS Property Management** <info@psprop.net>
to me, stephaniechang1913 ▾

 Fri, Oct 11, 2:24 PM (3 days ago)    

This is a community wide email sent to all owners in La Ventana Ranch Owners' Association, Inc..

Jakob Skelton,

Residents,

During the Meet the Candidate event on 10.10.24, the Board and PS Management received multiple requests to place legal documents on the PS HOA Homeowner portal in a Documents folder titled Legal Records. The request was made because those in attendance wanted information so that they could make their own decisions on whom to vote. The Association Attorney was contacted prior to posting the documents for the purpose of maintaining that this was a lawful action.

How to find Documents on PS Management Site

Login to your PS Management account

<https://owner.psprop.net/login>

Once you have logged into the HOA portal, please review the Dashboard on the left-hand side of your screen and select DOCUMENTS. After you have entered into the DOCUMENTS, you will then select LEGAL RECORDS. In this same portal, you will also find neighborhood documents such as Gate Codes, CCR's, ACC Apps and more. See attached images for additional assistance.

 image.png

SKELTON 000047

EXHIBIT 4.9



Adam Pugh
e-mail: adam.pugh@caglepugh.com

www.caglepugh.com

September 20, 2024

Jakob Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:
9314 8699 0430 0126 2249 57
Via Email: skeltonjakob@gmail.com

Stephanie Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:
9314 8699 0430 0126 2249 95

RE: La Ventana Ranch Owners Association, Inc. – Reasonable Accommodation Offer

Dear Mr. and Mrs. Skelton:

This letter shall serve as La Ventana Ranch Owners Association, Inc.'s (the "**Association**") attempt to provide a reasonable accommodation to you and your family. Please note that the Association has not received from you the information required to reasonably support that the ducks do work, performs tasks, provides assistance, and/or provide therapeutic emotional support with respect to the individual's disability, as requested. Accordingly, the Association is NOT required to provide an accommodation at this time.

Since ducks are not commonly kept as household pets, the Association is not required to allow you to keep them without more information. However, in the interest of reaching a compromise, and because the Association is assuming that such information will hopefully, eventually be provided, the Association wishes to offer a reasonable accommodation.

The Association, in full compliance with all applicable State and Federal laws, will provide the following reasonable accommodation:

- The Skelton family will be permitted to keep up to two (2) ducks on the property, locally known as 914 Ranchers Club Lane, Driftwood, Texas 78640 (the "**Property**") provided that such ducks are housed inside the main dwelling on the property.
- The ducks will be permitted to be outside the main dwelling on the property up to two (2) times a day for a maximum amount of time not to exceed two (2) hours outside the main dwelling on the property.

CAGLE PUGH

September 20, 2024 | Page 2 of 2

Please confirm through the undersigned counsel that the reasonable accommodation satisfies the needs of the Skelton family at your earliest convenience.

Sincerely,

CAGLE PUGH

A handwritten signature in blue ink, appearing to read 'Adam Pugh', is written over the printed name.

Adam Pugh

SKELTON 000377

EXHIBIT 4.10



Adam Pugh
e-mail: adam.pugh@caglepugh.com

www.caglepugh.com

October 11, 2024

Jakob Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:

Via Email: skeltonjakob@gmail.com

Stephanie Skelton
914 Ranchers Club Lane
Driftwood, Texas 78619

Via First-Class & CMRRR:

RE: La Ventana Ranch Owners Association, Inc. – Reasonable Accommodation Offer

Dear Mr. and Mrs. Skelton:

This letter shall serve as La Ventana Ranch Owners Association, Inc.'s (the "**Association**") attempt to provide a reasonable accommodation to you and your family. Please note that the Association has not received from you the information required to reasonably support that the ducks do work, performs tasks, provides assistance, and/or provide therapeutic emotional support with respect to the individual's disability, as requested. Accordingly, the Association is NOT required to provide an accommodation at this time.

Since ducks are not commonly kept as household pets, the Association is not required to allow you to keep them without more information. However, in the interest of reaching a compromise, and because the Association is assuming that such information will hopefully, eventually be provided, the Association wishes to offer a reasonable accommodation.

The Association, in full compliance with all applicable State and Federal laws, will provide the following reasonable accommodation:

- The Skelton family will be permitted to keep up to two (2) ducks on the property, locally known as 914 Ranchers Club Lane, Driftwood, Texas 78640 (the "**Property**") provided that such ducks are housed inside the main dwelling on the property.
- The ducks will be permitted to be outside the main dwelling on the property up to two (2) times a day for a maximum amount of time not to exceed two (2) hours outside the main dwelling on the property.

Please confirm through the undersigned counsel that the reasonable accommodation satisfies the needs of the Skelton family at your earliest convenience.

Sincerely,

CAGLE PUGH

A handwritten signature in blue ink, appearing to read 'Adam Pugh', is written over the printed name.

Adam Pugh

EXHIBIT 4.11



Mike Evans



Good plan

Thursday, Jan 11 • 9:34 AM

My boys home we go through eight eggs a day

Deal. How many dozen? 3?

Trade them for the SKS.

I can drop them off at noon.

Three dozen would be amazing. I can pick them up. I still want to see your set up.

Sounds like a plan. I got time around noon if you're free.





Mike Evans



Found them

Duck eggs, make killer omelettes

Saturday, Jan 20 • 1:56 PM

I need to check out those carriers

Whats your tomorrow look like?

Saturday, Jan 20 • 3:10 PM

Just like today
fucking around





Mike Evans



Wednesday, Mar 6 • 4:08 PM

Duck eggs r awesome

Hell yeah! We chop up bacon and scramble the eggs in the grease. Best dirty eggs I've ever had.

Saturday, Jan 13 • 10:42 AM



Found them

10:50 AM

Duck eggs, make killer omelettes

Saturday, Jan 13 • 1:56 PM



I need to check out those carriers



Mike Evans



Fun reading

Very dry. 🤔

Friday, Apr 19 • 5:53 PM

Put that black net up around my fence.
Tom and Judi ain't happy. I'm sure you'll
hear about it soon. 😎

Wednesday, Apr 24 • 8:28 PM

<https://www.tiktok.com/t/ZTLmt6GfM/>

What are you doing on titok?! 🤔

Im not. Someone sent to me.

Funny as shit though

😂 to "Funny as shit though"

Good to see TX 📉 ing the boot down.
Stomp it out early.



Text message





Mike Evans



Friday, May 12, 2023 • 12:33 PM

I forgot to respond to your invite.
Anything i can bring?
Or have i been scratched from the list
for tardiness

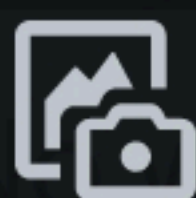
😂 to "I forgot to respond to your
invite. Anything i can bring?
Or have i been scratched from the list
for tardiness"

Just you and the wife man! We got all
the fixings. We are going to do ranch
waters.

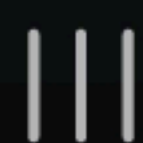
She's gone

Damn. So just you, and bottle of tequila
in her place. 🤣

Sorry



RCS message





Mike Evans



Sorry

No worries, we'll get you a double shot ranch water. You'll be drinking for 2!

If you aint got nothing going on tomorrow, you're more than welcome to come over before and shoot the shit.

Sunday, May 14, 2023 • 10:45 AM

Thanks for the invite. Had a good time

Sunday, May 14, 2023 • 11:49 AM

Anytime! Turned out to be a good housewarming party!

Friday, May 19, 2023 • 2:22 PM

Somehow, you were

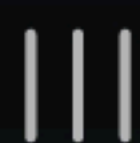


on the text I

sent out yesterday if you are interested



RCS message





Mike Evans



Friday, Jun 2, 2023 • 10:53 AM

Are u available to try to catch Stripe
around 5?

Yes sir

Gonna do it with just u and me

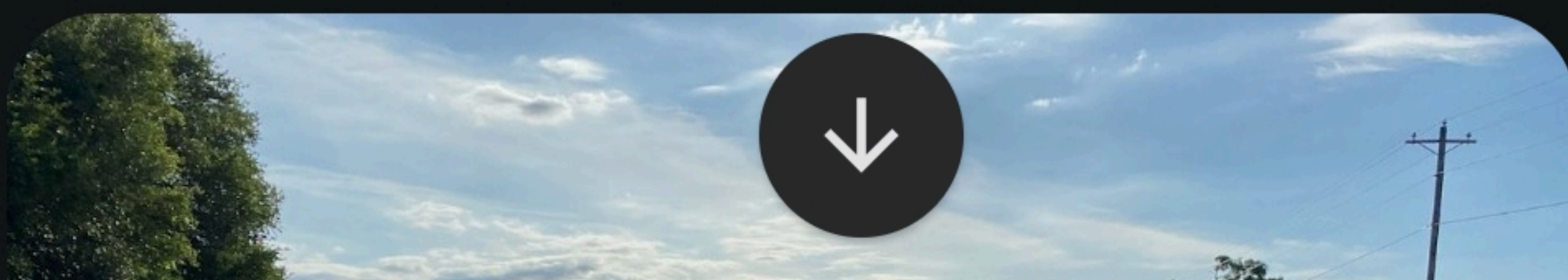
Sounds like a plan

Don't want a crowd

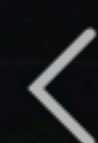
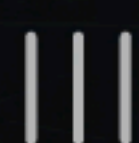
6 for 7 today

Dont jinx us

Saturday, Jun 3, 2023 • 8:38 AM



RCS message





Mike Evans



boyfriend

Wednesday, Sep 13, 2023 • 8:28 PM

I have a request

Game cam on your stop sign

Friday, Sep 15, 2023 • 10:48 AM

Cam is up. We'll hidden.

Well

Sweet

I'll do a drive by fir vehicle description

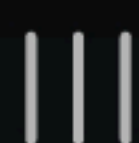
Sunday, Sep 17, 2023 • 2:56 PM

I think we got what we needed.

Already



RCS message





Mike Evans



Thursday, Jan 11, 2024 • 9:34 AM

My boys home we go through eight eggs a day

Deal. How many dozen? 3?

Trade them for the SKS.

I can drop them off at noon.

Three dozen would be amazing. I can pick them up. I still want to see your set up.

Sounds like a plan. I got time around noon if you're free.



RCS message



Sorry, I thought I sent that to my wife

😂 to "Sorry, I thought I sent that to my wife"

In a different life maybe. 🤡

Thursday, Jan 11, 2024 • 12:14 PM

Ready when you are.

Im in ur kitchen

Saturday, Jan 13, 2024 • 10:42 AM



EXHIBIT 4.12

CERTIFICATE OF RELEASE OR DISCHARGE FROM ACTIVE DUTY

This Report Contains Information Subject to the Privacy Act of 1974, As Amended.

1. NAME (Last, First, Middle) SKELTON, JAKOB THOMAS		2. DEPARTMENT, COMPONENT AND BRANCH ARMY/ RA		3. SOCIAL SECURITY NUMBER [REDACTED]	
4a. GRADE, RATE OR RANK SGT	b. PAY GRADE [REDACTED]	5. DATE OF BIRTH (YYYYMMDD) [REDACTED]		6. RESERVE OBLIGATION TERMINATION DATE (YYYYMMDD) 00000000	
7a. PLACE OF ENTRY INTO ACTIVE DUTY FORT JACKSON, SOUTH CAROLINA		b. HOME OF RECORD AT TIME OF ENTRY (City and state, or complete address if known) 3757 BASSETTERRE CT ALTON ILLINOIS 62002			
8a. LAST DUTY ASSIGNMENT AND MAJOR COMMAND 020001SFCO D SUPPORT CO SP			b. STATION WHERE SEPARATED JB LEWIS-MCCHORD, WA 98433-9500		
9. COMMAND TO WHICH TRANSFERRED N/A				10. SGLI COVERAGE <input type="checkbox"/> NONE AMOUNT: \$400,000.00	
11. PRIMARY SPECIALTY (List number, title and years and months in specialty. List additional specialty numbers and titles involving periods of one or more years.) 35N2P SIGNALS INTELLIGENCE ANALYST - 7 YRS 3 MOS// NOTHING FOLLOWS		12. RECORD OF SERVICE		YEAR(S)	MONTH(S)
		a. DATE ENTERED AD THIS PERIOD		2011	11
		b. SEPARATION DATE THIS PERIOD		2019	11
		c. NET ACTIVE SERVICE THIS PERIOD		0008	00
		d. TOTAL PRIOR ACTIVE SERVICE		0000	00
		e. TOTAL PRIOR INACTIVE SERVICE		0000	07
		f. FOREIGN SERVICE		0001	01
		g. SEA SERVICE		0000	00
		h. INITIAL ENTRY TRAINING		0000	09
i. EFFECTIVE DATE OF PAY GRADE		2015	11		
13. DECORATIONS, MEDALS, BADGES, CITATIONS AND CAMPAIGN RIBBONS AWARDED OR AUTHORIZED (All periods of service) BRONZE STAR MEDAL (2ND AWARD)// MERITORIOUS UNIT COMMENDATION// ARMY GOOD CONDUCT MEDAL (2ND AWARD)// NATIONAL DEFENSE SERVICE MEDAL// GLOBAL WAR ON TERRORISM SERVICE MEDAL// AFGHANISTAN CAMPAIGN MEDAL W/ 2 CAMPAIGN STARS// NON COMMISSIONED OFFICER PROFESSIONAL DEVELOPMENT RIBBON// ARMY// CONT IN BLOCK 18		14. MILITARY EDUCATION (Course title, number of weeks, and months and year completed) AIRBORNE, 3 WEEKS, 2012// BASIC LEADER CRS, 4 WEEKS, 2017// ELECTRONIC WARFARE/ SIGNALS INTELLIGENCE ANALYST, 24 WEEKS, 2012// JUNGLE OPERATIONS CRS, 1 WEEK, 2015// RADIO INTERCEPT OFFICER, 1 WEEK, 2014// SPECIAL FORCES NETWORK DEVELOPMENT CRS, 4 WEEKS, 2014// SURVIVAL, EVASION, // CONT IN BLOCK 18			
15a. COMMISSIONED THROUGH SERVICE ACADEMY				YES	X NO
b. COMMISSIONED THROUGH ROTC SCHOLARSHIP (10 USC Sec. 2107b)				YES	X NO
c. ENLISTED UNDER LOAN REPAYMENT PROGRAM (10 USC Chap. 109) (If Yes, years of commitment: <u>NA</u>)				YES	X NO
16. DAYS ACCRUED LEAVE PAID 0	17. MEMBER WAS PROVIDED COMPLETE DENTAL EXAMINATION AND ALL APPROPRIATE DENTAL SERVICES AND TREATMENT WITHIN 90 DAYS PRIOR TO SEPARATION			YES	X NO
18. REMARKS IMMEDIATE REENLISTMENTS THIS PERIOD -- 20140115-20161121, 20161122-20191121// BLOCK 6, PERIOD OF DELAYED ENTRY PROGRAM: 20110414-20111114// SERVED IN A DESIGNATED IMMINENT DANGER PAY AREA// SERVICE IN AFGHANISTAN 20130515-20140130// SERVICE IN AFGHANISTAN 20170503-20171005// MEMBER HAS COMPLETED FIRST FULL TERM OF SERVICE// NOT ELIGIBLE FOR SEPARATION PAY; SIGNED DECLINATION FOR CONTINUED SERVICE, DA FORM 4991-R// CONTACT INFO: [REDACTED]@GMAIL.COM; [REDACTED]// CONT FROM BLOCK 13: SERVICE RIBBON// OVERSEAS SERVICE RIBBON// NATO MEDAL (2ND AWARD)// COMBAT ACTION// SEE ATTACHED CONTINUATION SHEET The information contained herein is subject to computer matching within the Department of Defense or with any other affected Federal or non-Federal agency for verification purposes and to determine eligibility for, and/or continued compliance with, the requirements of a Federal benefit program.					
19a. MAILING ADDRESS AFTER SEPARATION (Include ZIP Code) [REDACTED] SPANAWAY WASHINGTON 98387		b. NEAREST RELATIVE (Name and address - include ZIP Code) AMANDA LAM [REDACTED] SPANAWAY WASHINGTON 98387			
20. MEMBER REQUESTS COPY 6 BE SENT TO (Specify state/locality) <u>WA</u> OFFICE OF VETERANS AFFAIRS <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO					
a. MEMBER REQUESTS COPY 3 BE SENT TO THE CENTRAL OFFICE OF THE DEPARTMENT OF VETERANS AFFAIRS (WASHINGTON, DC) <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO					
21a. MEMBER SIGNATURE DESIGNED BY: SKELTON, JAKOB, THOMAS. 140 9064414		b. DATE (YYYYMMDD) 20190829	22a. OFFICIAL AUTHORIZED TO SIGN (Typed name, grade, title, signature) DESIGNED BY: TONEY, ANDREA, NICOLE. 1107277664 ANDREA N TONEY, GS07, LEAD HRA		b. DATE (YYYYMMDD) 20190702

SPECIAL ADDITIONAL INFORMATION (For use by authorized agencies only)

23. TYPE OF SEPARATION DISCHARGE		24. CHARACTER OF SERVICE (Include upgrades) HONORABLE	
25. SEPARATION AUTHORITY AR 635-200, CHAP 4		26. SEPARATION CODE KBK	27. REENTRY CODE 3
28. NARRATIVE REASON FOR SEPARATION COMPLETION OF REQUIRED ACTIVE SERVICE			
29. DATES OF TIME LOST DURING THIS PERIOD (YYYYMMDD) NONE			30. MEMBER REQUESTS COPY 4 (Initials) JTS

CERTIFICATE OF RELEASE OR DISCHARGE FROM ACTIVE DUTY (Continuation Sheet)

This Report Contains Information Subject to the Privacy Act of 1974, As Amended.

1. NAME (Last, First, Middle)

SKELTON, JAKOB THOMAS

2. DEPARTMENT, COMPONENT AND BRANCH

ARMY/ RA

3. SOCIAL SECURITY NUMBER

(Specify the item number of the block continued for each entry.)
CONT FROM BLOCK 18: BADGE//PARACHUTIST BADGE//CONT FROM BLOCK 14: RESISTENCE AND ESCAPE
(HIGH RISK), 2 WEEKS, 2015//NOTHING FOLLOWS

21.a. MEMBER SIGNATURE

DESIGNED BY:

SKELTON, JAKOB. THOMAS. 140
9064414**b. DATE**

(YYYYMMDD)

20190829

22.a. OFFICIAL AUTHORIZED TO SIGN (Typed name, grade, title, signature)

DESIGNED BY: TONEY, ANDREA. NICOLE. 1107277664

ANDREA N TONEY, GS07, LEAD HRA

b. DATE

(YYYYMMDD)

20190702

EXHIBIT 4.13

CAUTION: NOT TO BE USED FOR IDENTIFICATION PURPOSES

THIS IS AN IMPORTANT RECORD. SAFEGUARD IT.

ANY ALTERATIONS IN SHADED AREAS RENDER FORM VOID

CERTIFICATE OF RELEASE OR DISCHARGE FROM ACTIVE DUTY			
This Report Contains Information Subject to the Privacy Act of 1974, As Amended.			
1. NAME (Last, First, Middle) CHANG, STEPHANIE SUSAN		2. DEPARTMENT, COMPONENT AND BRANCH ARMY/RA/LG	
3. SOCIAL SECURITY NUMBER [REDACTED]		6. RESERVE OBLIGATION TERMINATION DATE (YYYYMMDD) 00000000	
4a. GRADE, RATE OR RANK CPT	b. PAY GRADE 003	5. DATE OF BIRTH (YYYYMMDD) [REDACTED]	
7a. PLACE OF ENTRY INTO ACTIVE DUTY LUBBOCK, TEXAS		b. HOME OF RECORD AT TIME OF ENTRY (City and state, or complete address if known) LADSON SOUTH CAROLINA 29456	
8a. LAST DUTY ASSIGNMENT AND MAJOR COMMAND 0042MPHHC MP BRIGADE FC		b. STATION WHERE SEPARATED JB LEWIS-MCCHORD, WA 98433-9500	
9. COMMAND TO WHICH TRANSFERRED USAR CON GP (RET) 1600 SPEARHEAD DIVISION AVE, FT KNOX, KY 40122		10. SGLI COVERAGE AMOUNT: \$ 400,000.00	
11. PRIMARY SPECIALTY (List number, title and years and months in specialty. List additional specialty numbers and titles involving periods of one or more years.) 92A QM, GENERAL - 6 YRS 8 MOS//NOTHING FOLLOWS		12. RECORD OF SERVICE	
		a. DATE ENTERED AD THIS PERIOD 2016 05 20	
		b. SEPARATION DATE THIS PERIOD 2023 01 22	
		c. NET ACTIVE SERVICE THIS PERIOD 0006 08 03	
		d. TOTAL PRIOR ACTIVE SERVICE 0005 05 28	
		e. TOTAL PRIOR INACTIVE SERVICE 0000 00 00	
		f. FOREIGN SERVICE 0000 06 20	
		g. SEA SERVICE 0000 00 00	
		h. INITIAL ENTRY TRAINING 0000 00 00	
		i. EFFECTIVE DATE OF PAY GRADE 2021 10 01	
13. DECORATIONS, MEDALS, BADGES, CITATIONS AND CAMPAIGN RIBBONS AWARDED OR AUTHORIZED (All periods of service) ARMY COMMENDATION MEDAL (3RD AWARD)//ARMY ACHIEVEMENT MEDAL (3RD AWARD)//NATIONAL DEFENSE SERVICE MEDAL//ARMY SERVICE RIBBON//AIR ASSAULT BADGE//SHARPSHOOTER MARKSMANSHIP BADGE W/ RIFLE BAR//NOTHING FOLLOWS		14. MILITARY EDUCATION (Course title, number of weeks, and months and year completed) AIR ASSAULT, 1 WEEK, 2016//COMBINED LOGISTICS OAC, 24 WEEKS, 2020//QUARTERMASTER OFFICER BASIC, 8 WEEKS, 2016//SUPPORT OP CRS PHASE I, 1 WEEK, 2019//UNIT MOVEMENT OFFICER DEPLOYMENT PLANNING CRS, 2 WEEKS, 2018//NOTHING FOLLOWS	
15a. COMMISSIONED THROUGH SERVICE ACADEMY		YES X NO	
b. COMMISSIONED THROUGH ROTC SCHOLARSHIP (10 USC Sec. 2107b)		YES X NO	
c. ENLISTED UNDER LOAN REPAYMENT PROGRAM (10 USC Chap. 109) (If Yes, years of commitment: _____) NA		YES X NO	
16. DAYS ACCRUED LEAVE PAID 0		17. MEMBER WAS PROVIDED COMPLETE DENTAL EXAMINATION AND ALL APPROPRIATE DENTAL SERVICES AND TREATMENT WITHIN 90 DAYS PRIOR TO SEPARATION YES X NO	
18. REMARKS SOLDIER PRESENTED US FLAG//SERVICE IN CAMEROON 20190306-20190925//MEMBER HAS COMPLETED FIRST FULL TERM OF SERVICE//PERSONAL EMAIL: [REDACTED]@GMAIL.COM; PERSONAL PHONE NUMBER: [REDACTED]//NOTHING FOLLOWS			
The information contained herein is subject to computer matching within the Department of Defense or with any other affected Federal or non-Federal agency for verification purposes and to determine eligibility for, and/or continued compliance with, the requirements of a Federal benefit program.			
19a. MAILING ADDRESS AFTER SEPARATION (Include ZIP Code) [REDACTED] DRIFTWOOD TEXAS 78619		b. NEAREST RELATIVE (Name and address - include ZIP Code) JAKOB THOMAS SKELTON [REDACTED] DRIFTWOOD TEXAS 78619	
20. MEMBER REQUESTS COPY 6 BE SENT TO (Specify state/locality) TX OFFICE OF VETERANS AFFAIRS		X YES NO	
a. MEMBER REQUESTS COPY 3 BE SENT TO THE CENTRAL OFFICE OF THE DEPARTMENT OF VETERANS AFFAIRS (WASHINGTON, DC)		X YES NO	
21a. MEMBER SIGNATURE DESIGNED BY: CHANG, STEPHANIE, SUSAN, 14 00197489	b. DATE (YYYYMMDD) 20221110	22a. OFFICIAL AUTHORIZED TO SIGN (Typed name, grade, title, signature) ESIGNED BY: KINDT, CHRISTINE, ANNE, 1163099248 CHRISTINE ANNE KINDT, GS09, ASST RSO	
		b. DATE (YYYYMMDD) 20221110	

SPECIAL ADDITIONAL INFORMATION (For use by authorized agencies only)		
23. TYPE OF SEPARATION RETIREMENT		24. CHARACTER OF SERVICE (Include upgrades) HONORABLE
25. SEPARATION AUTHORITY AR 635-40, CHAP 4	26. SEPARATION CODE SEK	27. REENTRY CODE NA
28. NARRATIVE REASON FOR SEPARATION DISABILITY, TEMPORARY		
29. DATES OF TIME LOST DURING THIS PERIOD (YYYYMMDD) NONE		30. MEMBER REQUESTS COPY 4 (Initials) SSC

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GENERATED BY TRANSPROC

MEMBER - 4

SKELTON 000237

CAUTION: NOT TO BE USED FOR
IDENTIFICATION PURPOSES

THIS IS AN IMPORTANT RECORD.
SAFEGUARD IT.

ANY ALTERATIONS IN SHADED AREAS
RENDER FORM VOID

CERTIFICATE OF RELEASE OR DISCHARGE FROM ACTIVE DUTY

This Report Contains Information Subject to the Privacy Act of 1974, As Amended.

1. NAME (Last, First, Middle) CHANG, STEPHANIE SUSAN		2. DEPARTMENT, COMPONENT AND BRANCH ARMY/RA/LG		3. SOCIAL SECURITY NUMBER [REDACTED]	
4a. GRADE, RATE OR RANK CPT	b. PAY GRADE O03	5. DATE OF BIRTH (YYYYMMDD) [REDACTED]	6. RESERVE OBLIGATION TERMINATION DATE (YYYYMMDD) 00000000		
7a. PLACE OF ENTRY INTO ACTIVE DUTY LUBBOCK, TEXAS		b. HOME OF RECORD AT TIME OF ENTRY (City and state, or complete address if known) LADSON SOUTH CAROLINA 29456			
8a. LAST DUTY ASSIGNMENT AND MAJOR COMMAND 0042MPHHC MP BRIGADE FC			b. STATION WHERE SEPARATED JB LEWIS-MCCHORD, WA 98433-9500		
9. COMMAND TO WHICH TRANSFERRED USAR CON GP (RET) 1600 SPEARHEAD DIVISION AVE, FT KNOX, KY 40122			10. SGLI COVERAGE AMOUNT: \$ 400,000.00		
11. PRIMARY SPECIALTY (List number, title and years and months in specialty. List additional specialty numbers and titles involving periods of one or more years.) 92A QM, GENERAL - 6 YRS 8 MOS//NOTHING FOLLOWS		12. RECORD OF SERVICE		YEAR(S)	MONTH(S)
		a. DATE ENTERED AD THIS PERIOD		2016	05
		b. SEPARATION DATE THIS PERIOD		2023	01
		c. NET ACTIVE SERVICE THIS PERIOD		0006	08
		d. TOTAL PRIOR ACTIVE SERVICE		0005	05
		e. TOTAL PRIOR INACTIVE SERVICE		0000	00
		f. FOREIGN SERVICE		0000	06
		g. SEA SERVICE		0000	00
h. INITIAL ENTRY TRAINING		0000	00		
i. EFFECTIVE DATE OF PAY GRADE		2021	10		
13. DECORATIONS, MEDALS, BADGES, CITATIONS AND CAMPAIGN RIBBONS AWARDED OR AUTHORIZED (All periods of service) ARMY COMMENDATION MEDAL (3RD AWARD)//ARMY ACHIEVEMENT MEDAL (3RD AWARD)//NATIONAL DEFENSE SERVICE MEDAL//ARMY SERVICE RIBBON//AIR ASSAULT BADGE//SHARPSHOOTER MARKSMANSHIP BADGE W/ RIFLE BAR//NOTHING FOLLOWS		14. MILITARY EDUCATION (Course title, number of weeks, and months and year completed) AIR ASSAULT, 1 WEEK, 2016//COMBINED LOGISTICS OAC, 24 WEEKS, 2020//QUARTERMASTER OFFICER BASIC, 8 WEEKS, 2016//SUPPORT OF CRS PHASE I, 1 WEEK, 2019//UNIT MOVEMENT OFFICER DEPLOYMENT PLANNING CRS, 2 WEEKS, 2018//NOTHING FOLLOWS			
15a. COMMISSIONED THROUGH SERVICE ACADEMY				YES	X NO
b. COMMISSIONED THROUGH ROTC SCHOLARSHIP (10 USC Sec. 2107b)				YES	X NO
c. ENLISTED UNDER LOAN REPAYMENT PROGRAM (10 USC Chap. 109) (If Yes, years of commitment:) NA				YES	X NO
16. DAYS ACCRUED LEAVE PAID 0	17. MEMBER WAS PROVIDED COMPLETE DENTAL EXAMINATION AND ALL APPROPRIATE DENTAL SERVICES AND TREATMENT WITHIN 90 DAYS PRIOR TO SEPARATION				YES NO X
18. REMARKS SOLDIER PRESENTED US FLAG//SERVICE IN CAMEROON 20190306-20190925//MEMBER HAS COMPLETED FIRST FULL TERM OF SERVICE//PERSONAL EMAIL: [REDACTED]@GMAIL.COM; PERSONAL PHONE NUMBER: [REDACTED]//NOTHING FOLLOWS The information contained herein is subject to computer matching within the Department of Defense or with any other affected Federal or non-Federal agency for verification purposes and to determine eligibility for, and/or continued compliance with, the requirements of a Federal benefit program.					
19a. MAILING ADDRESS AFTER SEPARATION (Include ZIP Code) [REDACTED] DRIFTWOOD TEXAS 78619		b. NEAREST RELATIVE (Name and address - include ZIP Code) JAKOB THOMAS SKELTON [REDACTED] DRIFTWOOD TEXAS 78619			
20. MEMBER REQUESTS COPY 6 BE SENT TO (Specify state/locality) TX OFFICE OF VETERANS AFFAIRS				X YES	NO
a. MEMBER REQUESTS COPY 3 BE SENT TO THE CENTRAL OFFICE OF THE DEPARTMENT OF VETERANS AFFAIRS (WASHINGTON, DC)				X YES	NO
21a. MEMBER SIGNATURE CHANG, STEPHANIE. Digitally signed by SUSAN.1400197489 Date: 2023.11.10 09:13:34 -08'00'	b. DATE (YYYYMMDD) 20221110	22a. OFFICIAL AUTHORIZED TO SIGN (Typed name, grade, title, signature) KINDT, CHRISTINE, ANNE. 1163099248 Digitally signed by KINDT, CHRISTINE, ANNE. 1163099248 Date: 2023.11.10 09:13:34 -08'00'		b. DATE (YYYYMMDD) 20221110	
		CHRISTINE ANNE KINDT, GS09, ASST RSO			

DD FORM 214, AUG 2009

PREVIOUS EDITION IS OBSOLETE.
GENERATED BY TRANSPROC

MEMBER - 1

SKELTON 000238

EXHIBIT 4.14



DEPARTMENT OF VETERANS AFFAIRS

January 04, 2024

Stephanie S Chang

Driftwood, TX 78619

In Reply Refer to:

27/eBenefits

Dear Ms. Chang:

This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to disabled Veterans to use in applying for benefits such as state or local property or vehicle tax relief, civil service preference, to obtain housing entitlements, free or reduced state park annual memberships, or any other program or entitlement in which verification of VA benefits is required. Please safeguard this important document. This letter is considered an official record of your VA entitlement.

Our records contain the following information:

Personal Claim Information

Your VA claim number is: X

You are the Veteran.

Military Information

Your most recent, verified periods of service (up to three) include:

Branch of Service	Character of Service	Entered Active Duty	Released/Discharged
Army	Honorable	November 22, 2010	May 19, 2016

(There may be additional periods of service not listed above.)

VA Benefit Information

You have one or more service-connected disabilities:

Yes

Your combined service-connected evaluation is:

100%

Your current monthly award amount is:

The effective date of the last change to your current award was:

You are considered to be totally and permanently disabled due solely to your service-connected disabilities:

Yes

The effective date of when you became totally and permanently disabled due to your service-connected disabilities:

January 23, 2023

You are in receipt of special monthly compensation due to the type and severity of

Yes

SKELTON 000239

your service-connected disabilities:

You should contact your state or local office of Veterans' affairs for information on any tax, license, or fee-related benefits for which you may be eligible. State offices of Veterans' affairs are available at <http://www.va.gov/statedva.htm>.

How You Can Contact Us

- If you need general information about benefits and eligibility, please visit us at <https://www.ebenefits.va.gov> or <http://www.va.gov>.
- Call us at 1-800-827-1000. If you use a Telecommunications Device for the Deaf (TDD), the number is 1-800-829-4833.
- Ask a question on the Internet at <https://www.va.gov/contact-us>.

Sincerely Yours,

Regional Office Director



EXHIBIT 4.15



DEPARTMENT OF VETERANS AFFAIRS

January 07, 2025

Jakob Skelton

Driftwood, TX 78619

In Reply Refer to:

27/eBenefits

Dear Mr. Skelton:

This letter is a summary of benefits you currently receive from the Department of Veterans Affairs (VA). We are providing this letter to disabled Veterans to use in applying for benefits such as state or local property or vehicle tax relief, civil service preference, to obtain housing entitlements, free or reduced state park annual memberships, or any other program or entitlement in which verification of VA benefits is required. Please safeguard this important document. This letter is considered an official record of your VA entitlement.

Our records contain the following information:

Personal Claim Information

Your VA claim number is:

You are the Veteran.

Military Information

Your most recent, verified periods of service (up to three) include:

Branch of Service	Character of Service	Entered Active Duty	Released/Discharged
Army	Honorable	November 15, 2011	November 21, 2019

(There may be additional periods of service not listed above.)

VA Benefit Information

You have one or more service-connected disabilities:	Yes
Your combined service-connected evaluation is:	100%
You are considered to be totally and permanently disabled due solely to your service-connected disabilities:	Yes
The effective date of when you became totally and permanently disabled due to your service-connected disabilities:	December 03, 2022

You should contact your state or local office of Veterans' affairs for information on any tax, license, or fee-related

SKELTON 000378

benefits for which you may be eligible. State offices of Veterans' affairs are available at <http://www.va.gov/statedva.htm>.

How You Can Contact Us

- If you need general information about benefits and eligibility, please visit us at <https://www.ebenefits.va.gov> or <http://www.va.gov>.
- Call us at 1-800-827-1000. If you use a Telecommunications Device for the Deaf (TDD), the number is 1-800-829-4833.
- Ask a question on the Internet at <https://www.va.gov/contact-us>.

Sincerely Yours,

Regional Office Director



SKELTON 000379

EXHIBIT 4.16



DEPARTMENT OF VETERANS AFFAIRS
Central Texas Veterans Health Care System
7901 Metropolis Drive
Austin, Texas 78744

04/03/25

TO WHOM IT MAY CONCERN.
RE: SKELTON STEPHANIE
DATE OF BIRTH: 05/05/91.

Dear Sir/Ma'am,

The above named individual is under my care at the Austin Outpatient VA Clinic. She is a veteran who is 100% Service connected of which 70% is for PTSD.

She has a history of PTSD, Chronic, Major Depressive disorder and Generalized Anxiety disorder.

She stated that she functions better with her ducks.

She is aware that she is responsible for her ducks as the owner.

We do not provide letters for emotional support animals, but Ms Skelton stated that tending to her ducks helps with some symptoms alleviation.

That notwithstanding, please accord her any necessary considerations .

Sincerely,

Azuka Udolisa, MD.

Board Certified Psychiatrist.

Austin VA Outpatient Clinic.

Phone #: 5128234040.

A handwritten signature in black ink, appearing to read "Udolisa A", is located below the printed name and contact information.

SKELTON 000384

EXHIBIT 4.17

Your combined disability rating

Your combined disability rating is 100%

This rating doesn't include any conditions from claims that we're still reviewing. You can check the status of your disability claims, decision reviews, or appeals online.

[Check the status of your claims, decision reviews, or appeals online](#)

Your individual ratings

Service-connected ratings

<div><p>50% rating for obstructive sleep apnea with restless leg syndrome</p><p>Effective date: November 28, 2019</p></div>
<div><p>20% rating for radiculopathy, right sciatic nerve</p><p>Effective date: November 22, 2019</p></div>
<div><p>20% rating for radiculopathy, left sciatic nerve</p><p>Effective date: November 22, 2019</p></div>
<div><p>40% rating for lumbosacral strain with intervertebral disc syndrome</p><p>Effective date: November 22, 2019</p></div>
<div><p>20% rating for right shoulder strain with labral tear</p><p>Effective date: November 22, 2019</p></div>
<div><p>70% rating for other specified depressive disorder with unspecified trauma- and stressor-related disorder</p><p>Effective date: November 22, 2019</p></div>
<div><p>10% rating for tinnitus</p><p>Effective date: November 22, 2019</p></div>
<div><p>0% rating for right knee limitation of flexion</p></div>

EXHIBIT 4.18



Talk to the **Veterans Crisis Line** now

VA

Steph...

Menu

Stephanie Susan Skelton

United States Army

Your disability rating:

100% service connected

My VA

[Go to your profile](#)

Claims and appeals

You have no claims or appeals to show.

[Learn how to file a claim](#)[Manage all claims and appeals](#)

va.gov



70% rating for post traumatic stress disorder

Effective date: January 23, 2023



0% rating for trochanteric pain syndrome, left hip, impairment

Effective date: January 23, 2023

10% rating for lateral collateral ligament sprain with instability, left ankle

Effective date: January 23, 2023

30% rating for migraine headaches



 va.gov

